

SATURDAY NIGHT

THE CANADIAN ILLUSTRATED WEEKLY

No. 9

Three Sections

TORONTO, CANADA, JANUARY 2, 1937

Established A.D. 1887

10 Cent

PUBLIC ARCHIVES
OF CANADA
OTTAWA ONT
DfC 2476737

THE FRONT PAGE

The first of the two articles on the railway situation by Mr. E. W. Oliver, announced in our last issue, will be found on the front page of the Financial Section. We commend it to the careful attention of all who are interested in the solution of Canada's economic problem. Few railway executives have the breadth of experience which Mr. Oliver is bringing to bear on the task of reviewing the situation upon the broadest possible front, as he has been employed in all three of the major branches, namely, engineering, operating and management.

The weekly History of Canada will be found this week in the Second Section, on page ten. This highly condensed summary of events in all the chief spheres of Canadian interest is proving increasingly useful to our readers, as is evidenced by the number of expressions of appreciation which we are constantly receiving.

THE expressed desire of the Archbishop of Canterbury for a cessation of the discussion of moral issues in connection with the abdication of Edward VIII is commendable but very belated. The time to stop that discussion was before it began, and nobody did less to stop it at that stage than Their Graces, the Archbishops of Canterbury and York. The only tolerable conclusion to the whole unfortunate episode of the abdication is one in which the Duke of Windsor becomes an entirely private citizen, with all the freedom from ecclesiastical censure and religious restrictions which that position implies. It will be difficult enough in any event for him to avoid becoming a sort of symbolic representative figure for all the "insulted and injured," the under-privileged and the harshly-treated generally, throughout the British Empire; and every additional word of contumely and disparagement hurled at him by those in positions of power and influence and prosperity will merely add to the difficulty. A revival of religion is very greatly to be desired in the British Empire, but there seems to be a disposition on the part of some of the more insidious clergy to confuse this with a revival of respectability, which is an entirely different matter.

PAROLE DOES NOT WORK

PUBLIC suspicion and resentment over the operation of the parole system in Canada are increasing rapidly, and unless the investigating Commission now dealing with that subject among others relating to penal treatment can shortly suggest some reasonable modifications there will be a demand for the abolition of parole altogether. A certain Omer Girard was sentenced recently at Hull for a very cold-blooded and brutal double murder. The Montreal *Gazette* points out that he had a record of villainy dating back to 1918, and that the late Mr. Justice Wilson, several years ago predicted that he would end his life in the gallows. The parole system must surely have come out of its way to ensure that the judge's prediction should be fulfilled; for in 1930 Girard was given a seven-year sentence, with lashes, for a grievous assault, yet in a very short time he was liberated to commence his career of crime. We are far from conceding that either lashes or penal detention are the correct treatment for what may well have been a case for a psychiatrist; but the release of such men is far more unfair to society than detention can possibly be to themselves.

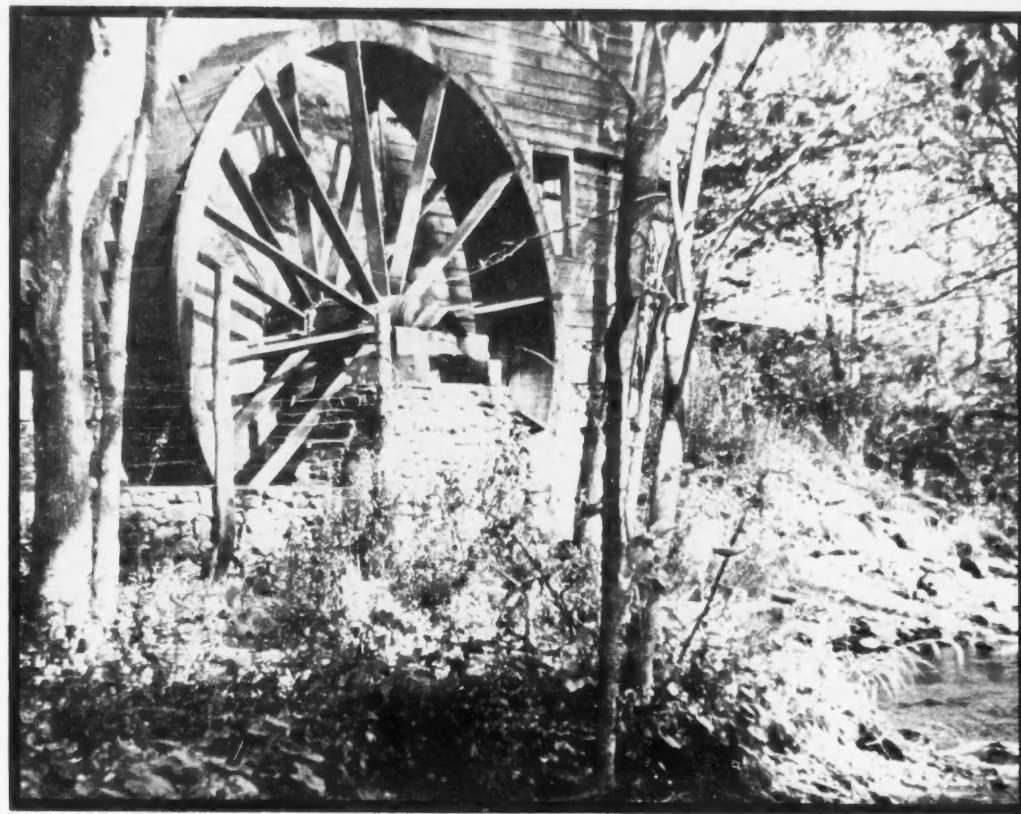
END OF MONROE DOCTRINE

THE Canadian public is becoming dimly aware that a number of important things happened during the Constitutional Crisis which the newspapers were too busy to tell us about. Probably the most interesting of these from the Canadian standpoint was the tacit abandonment by the United States of the whole principle of the Monroe Doctrine—a change of policy which occurred at the Inter-American Conference, and which will ultimately affect the position of Canada in regard to foreign relations as much as that of any other American country.

The Monroe Doctrine assumed that the duty of protecting the countries of the two Americas against all attack by non-American nations belonged exclusively to the United States; and as a corollary of this obligation the United States has always assumed also the right to intervene in the internal affairs of any nation thus protected. For that reason the doctrine has never been very popular with the South American countries. A first move towards its repudiation was taken by President Roosevelt, when on his assumption of office he made a statement renouncing the right of intervention; and the whole relationship between the United States and twenty other republics of the Western Hemisphere was put on a new footing at the recent Conference by the following declaration:

"The high contracting parties declare to be inadmissible the intervention of any one of them, directly or indirectly, and for whatever reason, in the internal affairs of any other of the parties. The violation of the provisions of this Article shall give rise to mutual consultation, with the object of exchange of views and seeking methods of peaceful adjustments."

The position of Canada in relation to the Monroe Doctrine has always been obscure. Explicitly the Doctrine refers only to countries which are already separated from all political connections with Europe; but it has been generally assumed that its principle would be applicable to Canada, at the discretion of the United States, in the event of this country re-



THE OLD MILL-WHEEL. Camera Study by "Jay", Saturday Night Staff Photographer.

quiring defence against some other European country than Great Britain. The new international structure now established in the Western Hemisphere is however an entirely different affair, and participation in it will evidently depend upon joining the new organization. An interesting point about this organization is the fact that the South American countries were able to resist a United States proposal which would in effect have cut them off from any form of world-wide organization such as the League of Nations. The resistance to this proposal by the sixteen republics which are members of the League was very determined; and the result was that the American combination became little more than "a regional pact within the ambit of the Covenant."

The Winnipeg *Free Press*, which is about the most enlightened of our daily newspapers in matters of this kind, feels that "with its rights as a League member thus safeguarded, Canada might find it an advantage to associate herself with this Western organization". The idea is certainly deserving of the most careful study; and not the least important thing about it is the possibility that the influence upon the United States of intimate association with so large a number of League members may ultimately and gradually effect a change in the United States attitude towards the League itself. Any contribution that Canada can make towards this highly desirable objective without impairing her own relationship with the League or the Empire should certainly be made.

SPOKESMAN FOR BANKERS

THE Canadian Bankers' Association has acted wisely, if a little belatedly, in providing itself with a Public Relations Counsel. No business is more difficult for the average outsider to understand than banking, and yet in these days when the affairs of the country are run more directly than ever by the man in the street it is most important that a reasonably correct idea of it should be entertained by the more serious citizens. The propagation of that reasonably correct idea is not a job for bankers, but for an expert in publicity, and the selection of an experienced newspaper executive to do the work seems entirely reasonable.

Mr. Vernon Knowles is taking on a large job, and we have naturally no idea what methods he will employ in performing it. But we suggest that so far as the editors of periodicals are concerned, and especially those who are at some distance from the greater financial centres, the method of frequent and friendly personal contact will be found most valuable. It is obviously impossible for presidents and general managers of banks to do much personal calling on editors in small cities, and this makes it easier for editors in small cities to regard high banking executives as dangerous and anti-social persons. Mr. Knowles does not have to run a bank,

but he knows, or speedily will know, all about the problems of the gentlemen who have to run them; and the more he can talk those problems over with the people who make public opinion about banks and all sorts of other things, the better it will be for everybody. Besides, it will mean a nice time both for Mr. Knowles and for the editors.

THE PROVINCIAL TARIFFS

AS WE expected, it has not taken long to show that provincial protectionism, when once it makes a beginning, is going to be very hard to stop. The first result of the adoption of a protectionist policy by the Manitoba Government in the matter of extra-provincial beer is a demand for similar protection by the Manitoba garment workers, who maintain that their ability to live at a genuinely Manitoban standard is seriously impaired by the competition of garment workers in other and less richly endowed Provinces. They appear to be quite willing to have the Manitoba garment industry taken over, at least as regards its distribution side, by the Manitoba Government, after the fashion of the beer business in the same Province, provided that the governmental selling monopoly will adopt the same policy of charging a differential price on garments made outside of Manitoba.

Since spokesmen for the Government have laid great stress upon labor conditions as being their chief reason for penalizing outside beer (regardless of the fact that some of that beer is brewed under conditions even more favorable to the workers than that of Manitoba), it is obviously going to be difficult for them to turn an entirely deaf ear to the garment workers' representations. So long as the only object aimed at in government control of the sale of alcoholic beverages was to keep consumption within reasonable limits and to see that it took place under reasonable conditions, there was a plausible excuse for making a distinction between beer and garments. But as soon as government control begins to concern itself with protection to provincial industry there ceases to be any such excuse, and any industry which suffers itself as being handicapped by the free entry of non-Manitoban products has a proper ground for demanding government control and its attendant protection. We look forward with great interest to seeing the Manitoba Government take over the retail sale of all boots and shoes in Manitoba, establishing a differential against those which are made in Ontario and Quebec; of all wheat and flour, with a differential against what is grown or milled in Alberta and Saskatchewan; of all fish, with a differential to protect the Lake Winnipeg gold-eye from his less colorful competitors of Lake Huron and Lake Erie. In fact there seems ready to be no reason why anybody in Manitoba should be

(Continued on Page Three)

THE PASSING SHOW

BY HAL FRANK

WELL, here's 1937. Ring out the old crises, ring in the new.

And it must not be overlooked that the belt that Germany is tightening is an army belt.

A woman research worker says that the cow is smarter than the horse. Yes, you can't get milk from a motor-car.

Mankind is very credulous. In the old days they believed in soothsayers. Nowadays they believe in headlines.

Apparently the only commodity that still operates under free trade laws is war.

The forgotten man: Santa Claus.

A woman in Northern Ontario who is ninety years old has never seen a motor car. That's why she's ninety years old.

A glance back at 1936 suggests that another thing the world seems to have put on a mass production basis is the making of history.

Herr Hitler is again making the front pages. It is difficult to determine who is the hardest hit, Germany or newspaper editors.

Mussolini is preparing his son-in-law to succeed him and no doubt is putting him through a rigorous schooling.

Esther says that she is still writing it 1936 because she was away for a month in the summer.

GONE IS THE OLD TRAIL

BY MARY WEEKES

A NARROW trail it was that wound round the base of hills that rose sharply to the prairie. No wider in places than the Indian carts that traced its first crooked outline. Beaten hard, too, by the passage of innumerable cartwheels and the unshod feet of prairie ponies.

Out of the fat, sandy hills that embraced this old worn trail came sometimes—washed by violent rains—stone hammers, bone knives, flints; all the weapons of an Indian Age. In a little depression, I found a powder horn, grey, its lip crumbling. Once it held a glistening polish. But that was long ago. In another place, beneath a rotten stump, I hauled out a whitened buffalo skull. Almost uncanny it was; very broad frontal bone, with big, big eye, nose, and horn sockets. A ghostly thing, a hundred years old or more, ashy and porous. Hard to imagine buffalo ever roaming on the prairies above where now waved fields of golden grain. Yet they did, blackening the prairie westward. In one place, some children, exploring the wheeling side of a hill, came across an Indian grave. Some small human bones were in it and some wampum.

Up from the old meandering trail, atop a conical hill, an old French coin was found. By the waterways below, and on the then new trail, came La Verendrye to hit the great plains above. Hereabouts, too, came fur-traders to barter with the tribes. Gaudy beads they gave them, a length of calico, or a trifle of tobacco for their fine pelts; pelts that took a year to reach the fur-markets of England.

And before this even, stirring days had the winding trail known. Chieftains painted for war cut their way with hatchets to their enemies, the Blackfeet, and across the echoing lakes (as they are called) that run, an emerald chain through the sinuous valley of the Qu'Appelle, rang their rallying cry. From all round about their warriors answered. This was the birth of the old narrow trail.

ALONG this seductive trail in summer came old bent Indian women, berrying. Their skin was the brown of leather. Here, right up to the wheel-ruts, grew wild gooseberry, currant, raspberry and saskatoon bushes; thick with fruit, too, in seasons when the teeth of the frost were drawn, and the rains hearty. In August, touched by the first breath

LINES ON THE PRESENT REVIVAL OF RELIGION AND MORALITY

BY MARJORIE MCKENZIE

ELIJAH made a most imprudent blunder: Monarchs, he learned, are dangerous things to flout. Our up-to-date Elijahs save their thunder. Till sure that Ahab's safely down and out.

of frost, they turned into a kind of fierce glory, tilting with the wanton prairie sunsets.

But in October this time-worn trail was its richest. Gaily, after the first serious frost, danced leaves of a hundred colors. Funeral leaves, yet not stiff and formal as funeral things are, or sounding a dirge, but alive and crisp. Lifting at the touch of a foot, or a heave of wind, to career across the broad blue lake that shone beneath it, or dancing in a kind of savage rhythm down the valley, up the hills, and away.

"Qu'Appelle? Who Calls?" I have lifted my voice in loud halloo on this ancient trail, and back it came full and bounding, as did long ago the sad, sad cry of the Indian maid to her lover.

In one place there lifted straight from the lean edge of this old urgent trail a paunchy hill. Faint paths wound down and round it. "They are," said an old Cree Indian told me "old times," said he, "the buffalo come this way to the water. Very busy he is and can not come down straight, else he will upset. So he go round and round so! Soon they are no more, the old buffalo path. The big grass hide him." And another, an old Chief, volunteered, "High in that coulee, see? My father's band hide himself. I was a boy, me, then. Pretty soon the buffalo come, in a big bunch, one at a time, after each other, round that way, see? where the hill is bare. My father make the signal. Sit! The arrows shoot straight into the fat buffalo cow. They are the best. A big fire is soon got ready to roast that buffalo meat. . . . This big stone? This hole you are standing in? The buffalo walk round and round and scratch himself on this stone. . . . Very deep this hole in old days. To the waist here," said he, measuring.

OFTEN, adown this old luring trail came, on moccasined feet, Indian women to my cottage door. Bits of beadwork they brought, treasured pieces worked in tribal patterns by the artistic head-workers of the past. Carefully they'd have them wrapped in new-washed flour-sacks and tied just so, lest the beads or porcupine quills get broken. One of my nicest pieces, I got from a Sioux woman. It was a present to her from a woman of the Assiniboines, in return for a kindly deed. A mark of high favor, indeed, for the old enmity between the Sioux and Assiniboine people still exists. The Sioux have never forgiven the Assiniboines, who were a branch of their nation, for breaking away and forming an alliance with the Crees. A gem of Indian art, this belt that cemented the friendship of these dark-skinned cousins. It is a solid piece, each bead sewn to a background of canvas separately to form a

(Continued on Page Three)

SPANISH WAR MAY CLEAR EUROPEAN ATMOSPHERE

BY J. A. STEVENSON

THE closing months of 1936 have witnessed a progressive deterioration of the European situation, and the prospects of any early cure for its malaise are not bright. Spain is now the bloody theatre of what is tantamount to an international civil war, and whether the conflagration there raging can be prevented from spreading and engulfing the whole of Europe is the problem which now faces the statesmen of that distracted continent. It is a task which will tax all their diplomatic abilities and intellectual resources—obviously none too great at the best—and there is no certainty that it can be accomplished.

It was foreseen months ago by all intelligent observers that the seeds of grave trouble lay in the Spanish civil war. Undoubtedly General Franco and his associates would never have ventured to raise the standard of rebellion if they had not been assured of substantial backing from the two great Fascist powers, Germany and Italy, and it was forthcoming immediately in the shape first of aeroplanes and munitions and later of actual troops, who however came as volunteers and had no official recognition from their governments. It was largely through these Fascist auxiliaries and his Moorish legions that Franco in the initial stages of the war was able to achieve a rapid series of successes which gained him nominal control of more than half of Spain and made it possible for him to attempt the capture of Madrid, the capital. Early in November he was so near the attainment of this objective that the Spanish Government, which had been several times reconstituted and now includes all shades of Leftist opinion, even Anarchists, felt it advisable to move its headquarters to Valencia and leave the defence of Madrid to a Military Council. But it was inevitable that Russia could not sit idly by and permit Fascism to crush under its heel the Spanish democracy and so it bestirred itself effectively to support the Leftist forces with men and munitions.

FURTHERMORE, volunteers, recruited from anti-Fascist elements in France, Britain, Poland and Czechoslovakia and also from German and Italian exiles, began to pour into Spain and out of these there was created an international legion, containing many experienced veterans, of whom not a few, having been victims of the oppressions of Fascism in their own countries, were filled with a fierce hatred of it and all its works. The fighting power of this international legion and the aeroplanes and munitions sent by Russia gradually changed the whole situation at Madrid, and on November 7 and 8 the rebel advance suffered a decisive check. Since that time there has been continuous and bitter fighting around Madrid, a large part of which is now in ruins, but the Fascist forces, so far from making any progress, have been losing ground, and their prospects of taking the capital have for the moment faded. Indeed within the last few days the government forces have taken the offensive and recaptured several important points and military observers are disposed to think that Franco's position before the capital may soon become untenable and that a retreat will be forced upon him. The forces under his command, which were never put at more than 40,000, have been badly decimated by casualties, and although he is now trying to enforce conscription in the areas under his control, most of the recruits which he will secure will be half-hearted warriors because the introduction of the Moors has revived great memories of their long dominance in Spain in the Middle Ages and generated great unpopularity for the present cause with the mass of the Spanish people. Indeed it is understood that emissaries of the German Government recently reported to their masters in Berlin that Franco and his allies were now so unpopular that they had not the slightest chance of winning a civil war without outside help.

IN MEANWHILE there had been a number of international agreements, the signing of which the British Government had opposed, the adherence of the leading European powers was clearly being honored more in the breach than in observance, and as it was appearing to the advantage of the Fascists, the democratic forces in different countries began to manifest great restlessness about it. The winning over of the Spanish Anarchists to see the necessity for a united popular front against Fascism removed doubts which had been depressing their sympathizers in the democratic countries and made them realize that some practical help for the Spanish government was desirable in their own interests. So the French trade unions began to pressure the Blum Ministry to abandon its neutrality policy, and simultaneously the British Labor party at its annual conference in Edinburgh showed marked uneasiness about the effects of this policy and sent a deputation to make representations to the Baldwin Ministry. Then, encouraged by these symptoms, the Russian Government took the step of threatening to withdraw from the non-intervention agreement unless it was honorably lived up to by Germany, Italy and Portugal. This announcement in turn stimulated the opposition to neutrality in Britain and France and a joint meeting of the Labor and Socialist International and the International Federation of Trade Unions decided to end their support of neutrality and to bring pressure upon their respective governments to allow the Spanish Government to buy the arms which it needed to defeat the Fascists. Two days later this decision was endorsed by the National Joint Council of Labor in Britain, and a persistent and vigorous barrage of criticism began to be directed against the masterly inactivity of the international joint committee, which had been set up to investigate the workings of the policy of



GREAT BRITAIN AT SEA: MERCANTILE. Dirty weather off the coast of Northumberland. This lonely collier looks as if she were sinking but she isn't. Rough seas like this are all in the day's work for these small craft, although how they manage to keep afloat is a mystery to the landsman.

non-intervention and the validity of charges about its flagrant violation. Its chairman, Lord Plymouth, a junior member of the British Government, was accused of manifesting ill-concealed sympathies with the Spanish Fascists, and such findings as it made were to the effect that breaches of the agreement had undoubtedly taken place but both sides were equally guilty of them. The pressure of the working-class organizations in France grew stronger, and early in November Premier Blum told the national council of the French Socialist party that he was prepared to end the neutrality agreement if only the British Government would concur. But the official mandarins of the British Labor party, who had originally endorsed the non-intervention pact did not see fit to bring similar pressure upon the Baldwin Ministry, and as not a few of the latter's members are horrified at the idea of abetting a Leftist victory in Spain, it declined to accept Mr. Blum's suggestion.

NATURALLY the waning of Franco's prospects caused acute dismay both in Berlin and Rome, where it was fully realized that the defeat of Spanish Fascism would have important repercussions all over Europe and enormously hearten the forces of democracy and socialism. So the Hitler Government in the hope of averting this setback proceeded to pour more troops and munitions into Spain, and it is now estimated that there are at least 10,000 Germans, who make no secret of their mission, fighting on the insurgent side. Mussolini on his part must have been equally anxious to save Franco from defeat, but he is also a shrewd realist in politics and he could foresee grave risks in committing himself to a policy of direct intervention in Spain such as Berlin suggested. He knew that he had pushed Britain pretty near to the limit of war over his adventure in Ethiopia and that now that she was partially rearmed she would not eat humble pie again. A British Conservative Ministry might not be averse to seeing

Franco win and establish a Rightist government in Spain, but it would be quite another matter for Spain (which lies right athwart the basic communications of the British Commonwealth) to be occupied by German and Italian troops and become a satellite country of the two Fascist dictatorships. Accordingly Mussolini, who is confronted with grave economic and financial embarrassments and who is also finding Ethiopia no great prize, determined to play safe and apparently turned a deaf ear to entreaties from Berlin that he co-operate in openly sending reinforcements on a large scale to Franco. He knew that this refusal would earn him the gratitude of Britain, from which he wants financial help, and he proceeded to follow up this gesture by overtures for an Anglo-Italian concordat about the Mediterranean. These approaches at once met with a sympathetic response, and the completed draft of a "gentleman's agreement" which should establish reasonably friendly relations between the two powers is reported now to be awaiting signature. It contains only four or five paragraphs but under its terms Britain and Italy pledge themselves to keep the routes of East Africa and India open to one another's shipping and to apply a policy of the status quo to naval bases, which means that Britain will be free to continue work on her new base at Haifa in Palestine and Italy on her program in the Dodecanese Islands. Moreover the Italians have dropped their original demand for parity in naval strength in the Mediterranean and the British fleet in that sea will retain its present superiority.

IT IS a notable diplomatic feat to break the rapprochement between Italy and Germany, which had been growing closer and constituted a prime threat to the peace of Europe, and to secure the abstinence of Mussolini from further participation in the Spanish struggle. He has already given an earnest of his sincerity by recalling some of the

Italian troops who have been holding the Balearic islands for the Spanish Fascists and he has shown indications of readiness to agree to the Franco-British demand that the enlistment of foreign volunteers for the Spanish war be stopped. The motives for his change of front, which must have infuriated the German Government, are doubtless mixed, but not to operate so strongly as a belief in Germany firmly established on the shores of the Mediterranean would Italy at her mercy and be an intimate sort of ally. So Germany found herself manoeuvred into a position of almost complete isolation at a time when she had to make up her mind whether to put her whole weight behind Franco or see the Fascist cause in Spain defeated. Rumors forthcoming from Berlin that the Hitler Government contemplated sending an expeditionary force of 10,000 men to Spain evoked from Britain France notes of warning protesting to Berlin, and the French Ministry intimated that the despatch of any German force would compel her to take similar steps to support the Catalan Government in Spain. Then just at juncture a German steamer, the *Albatros*, which had on board a cargo of munitions, was seized by vessels in the service of the Spanish Socialist Government and taken into the port of Bilbao. Thereupon Germany on the ground that since it had recognized the government of General Franco munitions being shipped to it were not contraband of war, demanded the immediate release of the ship and threatened reprisals if this demand was not acceded to.

NOW it is quite certain that the Socialist Ministry of M. Blum in France will not sit idly by while German warships shell Spanish ports and convoy large bodies of troops to Spain, and the British Government is firmly pledged to stand by France, while Russia, Czechoslovakia and Poland are specifically bound by treaties to come to her aid. So the Hitler Government at the time of writing is faced with the necessity of making a fateful decision, between allowing Franco to work out his own salvation or challenging to the arbitrament of war a most formidable combination. However the latest despatches from Berlin indicate that Hitler is loath to depart from his cardinal policy of retaining the goodwill of Britain and that the expeditionary force will not be despatched. Moreover both the British and French Government realize that the internal difficulties of Germany are largely responsible for the bellicosity of her foreign policy and the French have made a most timely gesture designed to remove some of Germany's grievances and help her out of her economic difficulties. The Blum Ministry has formally communicated to Berlin an offer to restore to Germany two of her lost colonies, Togoland and the Cameroons in West Africa, now held by France under a League mandate, provided that Germany will stop the enlistment of German volunteers for

AVE. DRUG-STORE!

BY HELEN SANGSTER

SING a song of the drug-store, purveyor of bits and bobs, cheerfully ready to succor the poor or be plucked, sing with a pleasing fervor of these obliging emporia, crammed to the doors with everything from Christmas cards to Castoria.

Here are gum and aspirin,
All the ointments,
Tooth-paste, cough-drops, cigarettes,
Plates of pork and beans,
Candy-cane and lollys,
Spice for chicken pies,
Sherry, quince and ginger-puffs,
Catarrhs and pulps.

There's a modern lending-library with the cream of the latest books,
And counters and cases and shelves all filled with props
For a lady's looks,
And, back of this rich display of aids to the female hair and cuticle,
A shy prescription window for needs more pharmaceutical.

Razors blades and hair-creams,
Baby-bibles, ink,
At the luncheon-counter
Something hot to drink,
Perfumes sweet or heady,
Soap and towel water,
Casseroles and milk-shakes,
Pies (all non-saps).

Sing of the haven from beating rain, and from bitter cold
as well,
The kind ubiquitous drug-store, with its typical drug-store
smell,
And its soda-fountain and pay phone booth and its lights
and its cleanly clutter
Of everything that a man might seek, from candy to cocoa
butter.

Sleep to calm the wakelut,
Breads for the plate,
Food to stay the hunger,
Salves to banish pain,
Vast the powers, drug-store,
That reside in you
Should you ever quish
What would mankind do?



WINTER PATTERN. A photograph by Harvey Rivard, Trois Rivières, Quebec, taken with a Jiffy Kodak on verichrome film, at 2 p.m. March 1, 1936. No filter was used.

Franco, (b) renounce all territorial claims within Europe, (c) agree to a full and lasting settlement of Europe's political and economic problems, (d) participate in the controlled disarmament of Europe, and (e) co-operate with the rest of the world in a program of economic rehabilitation.

At the time of writing Hitler is secluded in his mountain retreat in Bavaria, supposed to be pondering the problem set before him but the real decision will probably be made by the German General staff and the impression of observers on the spot is that it reckons the risks of war too great to be faced. If Germany agrees to the French proposals the way may be opened up for a wider plan of general appeasement and in that event out of the Spanish civil war would have come good.



ICE CAVE. Honorable Mention Photograph, by Henry Schroyen, 1017 Broad Street, Regina, taken at Lake Louise, Alta. Kodak 616, Kodak SS Pan film, one sec. at F11, 4 p.m. in misty weather in August.

THE FRONT PAGE

(Continued from Page One)

allowed to consume anything produced outside of Manitoba without a very severe penalty; and when that penalty has had its due effect, and Manitoba has entirely ceased to import anything, it will obviously cease also to export anything, and will have attained what many thinkers seem to regard as the ideal economic condition, a condition of complete self-sufficiency within its own borders. The only thing that surprises us is that it was Manitoba and not Alberta that began the business.

UNDERMINING FOUNDATIONS

I SEE no reason why the C. P. (Communist Party) and the C.C.F. and all other anti-capitalist bodies, which polled more than a million votes at the last general election, should not form a united, non-political movement to undermine the foundations of the present order by propaganda, if not a *Front Populaire* at least a *union sacrée*. Thus Mr. Charles Herbert Huestis in the *New Frontier*, in spite of the fact that he has "been repelled by the revolutionary policy of Communism now happily undergoing a meliorating process." We do not think that a man who wants to "undermine the foundations of the present order", whether by propaganda or by any other method, ought to be so squeamish about a mere "revolutionary policy", whether it is "meliorated" or not. Undermining the foundations of any order can have only one result, namely, that of causing it to collapse; and the collapse of an existing order is bound to bring about consequences not readily distinguishable from revolution.

Mr. Huestis's objective is not to modify or make over the existing order by the use of the normal powers of the majority in a democratic country. That used to be the objective of Socialists as distinguished from Communists—of the Woodsworth party as distinguished from the Tim Buck party. But Mr. Huestis thinks poorly of Mr. Woodsworth and his leadership and thinks highly of Tim Buck; he says so in this same article. And he has given up—probably as being impractical—the idea of changing the present order by democratic process. He wants to make it collapse. On its ruins he may succeed in building the Communist State, or somebody else may get ahead of him and build the Fascist State. Almost anything can be built on a sufficiently total ruin. Mr. Huestis is willing to take the chance. He is willing to take any chance rather than let "the present order" go on a few years longer. He has, like many Socialists of the present day, no confidence whatever that Socialistic truth will in the long run prevail. He thinks that Socialists must get power now or they will never get it. (The C.C.F. is, he says, waiting for power to drop into its lap like a tropical fruit, but "I greatly fear that what does drop may be a Fascist coconut.")

Mr. Huestis, while anxious to co-operate with the revolutionary Communists, still professes a great devotion to democracy, at least whenever it is threatened by Fascism. What sort of democracy he imagines will survive amid the wreckage which he proposes to make of "the present order" we do not know. The idea that democratic institutions can be maintained while the whole economic fabric of society is crumbling and nobody knows what new fabric is going to be substituted seems to us a trifle ludicrous. The matter would perhaps not be deserving of such extended comment if Mr. Huestis were not one of the leading "intellectuals" of the Socialist movement in Canada, and the possessor of a rostrum from which he speaks to a much vaster audience— if a trifle less frankly—than in the *New Frontier*.

REFORMATION AND REVOLUTION

IT IS, we think, fair to assume that in countries in which the Protestant Reformation has never hitherto succeeded in making any impression, the contemporary Revolution is fairly certain to contain within itself some elements which have a close relationship with many of the ideas which the early Protestants went to such lengths to establish. Sir Andrew Macphail, writing in these columns a few years ago, was probably the first person in Canada to make the point that the present system in Russia is in many respects the carrying of Protestantism to its logical extreme; and the same can probably be said with even more truth of the much more individualistic Revolution which is being maintained with such difficulty in Spain against the counter-revolution of General Franco. We have said that these revolutions are Protestantism carried to a logical extreme; and we should hasten to add that in our opinion the carrying of any idea to a logical extreme is usually a dangerous mistake, and that the fact that the Protestant Reformation stopped where it did, particularly in the countries of the United Kingdom where it left an Established Church and a

number of highly conservative though dissident religious bodies, put those countries in a much sounder and more secure position both spiritually and politically than any of the officially godless governments. If a moderate Reformation had had any influence in either Russia or Spain a hundred years ago, it is improbable that those countries would today be largely in the grip of so terrific a hostility to the respective ecclesiastical systems which have hitherto dominated them.

It is this peculiar situation which makes it difficult for Protestants in Canada to share completely the feelings of their Roman Catholic fellow-citizens about what has happened in Russia and is happening in Spain. Protestantism is largely responsible for the concept of the secular national State, a concept which the present-day revolution-

AN EPITAPH

BY ARTHUR STRINGER

HERE lies the mortal body of
A woman never debased by love.

For proud and stately did she stay,
Flushing not once her heart away.

Unsolled and unscathed and chaste,
Fastidious of touch and taste.

With stern though fragile fingers she
Held up the lamp of elasticity.

And no rude tips disturbed the rest
Of her three-walled and guarded breast.

But the hand that stayed so pure and cold
Is pressed here by the casual mould.

And the lips that were a close-shut gate
With oceans are grossly intimate.

And the breast on which no bold hand lay
Must pillow now too backward clay.

aries are merely carrying a stage or two further and making a degree or two more absolute. To the vast majority of Protestants it still appears a concept of great value to human liberty and progress, though one which needs certain checks and balances in favor of the individual and which should not be carried to a dangerous extreme. There are after all few Protestant countries which did not, at some time from one to three centuries ago, go through a somewhat similar experience to that which Russia has recently had and Spain is now having. The objectives of that struggle were immensely more moderate, and as it seems to us of today, immensely more reasonable and more valuable, than those of the twentieth century revolutions. But a certain sympathy with the revolutionary attitude in matters of religion is one of the inevitable inheritances of the descendants of those who were on the side of Luther, of Calvin, and of John Knox.



SAN FRANCISCO BAY as seen through the spires of the financial district, the most important in the Western United States. The San Francisco-Oakland Bay bridge, costing more than \$75,000,000, is now one of the world's engineering marvels.

(Photo courtesy, California, Inc.)

DON'T BLAME THE TEACHERS

BY ONE OF THEM

IT IS high time that someone came to the defence of Canada's teachers of English, who are being blamed for something they alone cannot remedy. At the Canadian Book Fair, Wilson MacDonald used his poetic license to attack the teaching of literature in the Province of Ontario; and recently the editor of *SATURDAY NIGHT* criticized—more guardedly, it is true—the English teachers who had hardly recovered from the crippling attack of Mr. MacDonald.

There can be no doubt that English literature is taught badly in Ontario. There can be equally little doubt that the blame should rest not with the teachers but with the Department of Education. Although the aim in teaching literature (to use the terminology of the pedagogues) should be Appreciation, our teachers are required to prepare the pupils for departmental examinations which demand detailed knowledge. Hence they must spend their class time ruthlessly dissecting poems and plays, and putting them, line by line and word by word, under a microscope. Because of the length of the courses, they have no time to do anything else.

UNDER these circumstances, not only does the pupil acquire a distaste for good literature, but the teacher, driven day by day to the horrible mutilation of poems he loves, eventually loses his own passion for good literature; or at least he loses any urge he may once have had to inspire a similar passion in his pupils. He just stuffs their heads full of facts, as he would if he were teaching history or geography; and after spending a day in the literature-dissecting laboratory, he returns home not to his Ruskin or his Browning, but to a detective story which will demand nothing more from him than a guess concerning Who Did It.

The root of the trouble is the departmental examination, with its demand for facts and for detailed knowledge of the content of the course. Only when these examinations in English are either abolished or modified will the teacher be free to devote his time to leading boys and girls to a love of letters. Fortunately, a trend in this direction is now apparent in the Department, and the day may come when the school children of Ontario will be permitted to enjoy what they now detest.

..

GONE IS THE OLD TRAIL

(Continued from Page One)

mosaic design. High on my wall it hangs with my other pieces, and the sun striking through the window upon it makes the colors live and glow.

Where the old, old trail widened into a circular flat, covered now with stark white poplars and ash and maple trees stout with years, was once an Indian village. Said a native woman, "In that patch of choke-cherry bushes was their burying-ground. And do you think an Indian woman will pick berries there? And they will not pass by here at night—the old people. They are afraid of the spirits of their dead. Why? Because over there, their people are put in the ground, as the missionaries said, and not in the forks of trees.

"Of course I know this!" she continued. "A little girl, I used to come to this camp with my father. He was a big fur-trader. The buffalo robes and other skins he used to take! Muskrats, too. Very prime. The kind that would fetch a good price. He used to come in a big hurry. I remember, to catch the hunters before they got away to the trading-post at Fort Qu'Appelle. The big Hudson's Bay trading-post that there is nothing left of now except the old schoolhouse where the Chief Factor's children went to school. The Indians did not trust the English tongue, and, when they went to the trading-post, they did their business by signs. Of course my father was of their people. Cree. More than a quarter. They trusted him."

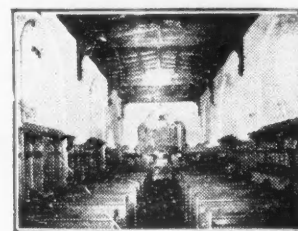
Hitting the old straggling trail at its very beginning—on the prairie three hundred feet



The Finishing Touch to Your Southern Trip--

Correct attire, conforming to the accepted standards of the smart Southern resorts this season, is fashioned with accomplished skill by Levy Bros. We are featuring an inspiring variety of materials in new and exclusive patterns. Sport tweeds. Tropical suitings and Sport trousers. Tailored to individual perfection. It will be a pleasure to have you drop in and examine them at your leisure.

Levy Bros
69 WEST KING ST.
T O R O N T O



The Chapel

Commodious, convenient, beautifully and appropriately appointed. Equipped with pipe organ. Perfectly ventilated.

Services are held here under ideal conditions. (There is no additional charge.)

Cremation Carefully Attended to if Desired.

A. W. MILES
UNDERTAKER

30 ST. CLAIR AVE. WEST

HYland 5915

HYland 4958

above—and following it downward through the convoluted hills that it divided, came, more than sixty years ago, to the Old Hudson's Bay trading-post at Fort Qu'Appelle, the Cree and Saulteaux tribes of the region to surrender their territory to the Great White Mother.

Five hundred smoke-brown tents, tis said, lay glistening in the high sunlight on that historic day; the day that the People of the Plains signed away their lands, more than 75,000 square miles, that part of Western Canada that comprises one of the finest wheat-growing belts in the world. Regina, the capital of Saskatchewan, is now the centre of this enormous territory.

Down the old long trail they came on foot, dragging travois, painted and befeathered, or in rags, to sign Treaty Number Four. The buffalo, their chief source of food, were gone. They were a starving people. The servants of the Queen were persuasive. The Indian Chieftains listened. They gave their country to the Great Mother beyond the seas. In return for this princely gift, the Queen gave them one square mile of land for each family of five, eight dollars annually to each man, woman and child in their nation, twenty-five dollars for each Chief, or headman, and a medal and a suit of clothes. The women were given pieces of calico.

And then, folding up their tawny tents, some of the greatest warriors of the plains moved away along the old, old trail of their forefathers; moved away to extinction, almost.

OF LATE years, the old worn trail, even when aflame with the gold and scarlet banners of autumn, had lost a little of its lawful pride. Along it squeaked rickety carts hauled by miserable horses, and in them sat the descendants of those arrogant Chiefs who had given their wide lands to the miserable pale-faces. Not dressed in soft tanned skins embroidered with brilliant beads, as in the plentiful days of their people, but as on the day of the signing of the treaty, in miserable rags, mostly, and huddling together for warmth against biting winds.

Said Frank Isamma, who came to Canada with his people, the Sitting Bull band, after the Custer Massacre in the United States: "Sixty years have I lived in this place. I am a Canadian. Long ago, my people, the great Sioux Nation, owned all the country to the East. Silver medals have we from King George III. Now I am old and poor. My woman, too, is old and poor. The Government will not give me a pension. New people have come to this country and the Government gives them money and houses to live in. My people are sad. We should not be sad. This is our country. I am a Canadian. Canada is the country of my people."

I HAVE said good-bye to the old narrow trail. At night the cry of coyotes, or is it the lamenting voices of the Indian dead? still echo against my cottage door, and the sob of the loons is a soul in pain. But they do not come to me as formerly across the old living trail.

I have said good-bye to the old trail. Never again at bud of leaf, or at mournful rustling of dying leaves shall I wander idly adown it, reliving its glorious but tragic pageant. The old trail is gone forever. Yesterday, government engineers tore it up and built a gravelled highway.

THE CHINESE PUZZLE

BY E. BRUCE COPLAND

THE release of Chiang Kai-shek and his return to Nanking is welcome news to all friends of China. At the time of writing it is reported that the Young Marshal is also in Nanking, staying in the closely guarded home of T. V. Soong, a brother-in-law of Chiang Kai-shek. The strange conclusion of such a dramatic episode as the kidnapping of China's strong man requires more than a word of explanation.

Some of the facts regarding the latest crisis in China may never be revealed to the public, but there are many analogies in recent Chinese history for the lenient treatment of the leader of a rebellion. To the Westerner it may seem that the Young Marshal showed his insubordination by capturing his superior officer, and that he should therefore be disciplined by a military court. But the Chinese mind is more flexible and more reasonable. The Chinese argues that if there were circumstances which lay behind a rash act, those should be taken into consideration. Then in China the settlement of any dispute must take into account the very important question of "face". At the risk of oversimplification it may be said that Chinese "face" has two sides to it. One aspect is the loss of personal dignity, or "losing face". The other aspect is "getting face", which means the attainment of personal dignity, possibly at the expense of another, or the regaining of personal dignity, possibly by taking revenge on a person or a family which has insulted one.

WHILE the course of future events in China cannot be predicted, it may be assumed that a reasonable and face-saving solution to the dispute between the Young Marshal and Chiang Kai-shek will be found. No doubt strong pressure was brought to bear on the Young Marshal from various quarters to capture Chiang Kai-shek. But if the Nanking Government simply used its present advantage to ruthlessly punish the rebel, the Young Marshal would "lose face". This means that in Chinese eyes he would suffer such loss of personal dignity that he would never again be able to take his place in public life, and his family and friends would likely seek an opportunity for revenge.

The way is now open to discover a reasonable solution through mediation and discussion, and the outcome may be a new policy on the part of the Nanking Government toward the Chinese Communist party. Chiang Kai-shek has emerged from the recent dramatic episode with greatly enhanced prestige. If as a result a new and better policy toward Communists, or Chinese rebels, is framed, then the bonds of Chinese unity have been strengthened and China is better able than before to negotiate with Japan on equal terms.

THE attention of the world was concentrated on London during the days immediately preceding Saturday, December 12, when George VI was proclaimed King and Emperor. Before the constitutional crisis was over in England a startling situation had developed in the far northwest of China.

The detention of Chiang Kai-shek at Shantung, capital of Shensi province, in northwest China, is an event which can only be understood in relation to recent history in the Far East. First let us glance at the personal history of the main actors on the Chinese stage.

CHIANG HSUEH-LIANG, commonly known in China as the Young Marshal, is the son of Chiang Tso-lin, who for many years was the ruler of Manchuria. On his sudden death in 1928 the Young Marshal assumed leadership in Manchuria, and in 1930 he declared his adherence to the Nanking Government. He thereby incurred the severe displeasure of the Japanese, who for many years had had special interests in Manchuria and who distrusted what they regarded as a Government with Communist leanings in China. In September 1931 occurred the spectacular events which resulted in the rapid capture of Mukden, and the beginning of definite Japanese control in all Manchuria. At that time the Young Marshal was in the Rockefeller Hospital in Peiping, undergoing treatment to cure him of the drug habit of which he was a victim. Early in 1932 Chiang Hsueh-liang, accompanied by Mr. W. H. Donald, his Australian-born adviser, set out for Europe. On his return to China about a year later it was reported that he had broken off the drug habit, and he gave every evidence of living a normal healthy life.

For the past three years the Young Marshal has held several military posts under Chiang Kai-shek, but it would appear that he was not fully trusted by his superiors. The loyalty of the Young Marshal's troops, who had come from Manchuria, has been questioned for some time and their allocation to the rather remote northwest was not pleasing to them or their leader. It may be surmised that the visit of Chiang Kai-shek to Shantung was at least partly to discuss with the Young Marshal his own status and the work and remuneration of his army. Thus there was a somewhat disgruntled high military official in the person of the Young Marshal; one who might be persuaded by interested parties through flattery and bribery to rebel against his superior officer.

WHAT of Chiang Kai-shek, who at the time of writing is still held captive? Chiang had a sound preliminary education in China and later went to a military school in Japan. In his young days he came under the influence of the dynamic father of the Chinese Republic, Sun Yat-sen. Sun made Chiang head of the important Military Academy in Canton. When, after a period of Russian influence and a short era of rabid anti-foreignism in China, the Nationalist Revolution began in South China in 1927, it was Chiang Kai-shek who

was the man of the hour. He was a pupil of the revered Sun Yat-sen. Because of his position in the Military Academy, and the Chinese relationship between teacher and student, Chiang had a group of enthusiastic young officers with him who had been trained by himself and who were intensely loyal to him.

The movement which began in South China swept the country. The victorious armies went rapidly north into the rich Yangtze Valley, capturing first Hankow and then Nanking. For almost ten years the prestige of the Nanking Government which was established in 1927, has been increasing. It has been the policy of Chiang Kai-shek and his closest associates to consolidate the administration by gradually improving the quality of government within a limited area, meantime dealing with opposition by persuasion if possible, and by force if necessary. In recent years the Nanking Government has had tremendous obstacles to overcome, and has been subject to strong criticism and a measure of armed insurrection.

EVER since 1928 the Chinese Government at Nanking has had to deal with the encroachments of Japan, first in Shantung and since 1931 in Manchuria and North China.

There have always been parties which have sought to embarrass the Nanking Government by pressing for armed action against Japan, and by creating internal dissension. At a time when internal and foreign relationships have been of particular difficulty China has suffered from disastrous floods, in 1931 and again during the past three years. But in spite of political difficulties and natural calamities Chiang Kai-shek has consolidated his position and worked for unity.

The secret of the success attained by Chiang's Government is its economic policy. Chiang Kai-shek regarded the Communist movement in the province of Kiangsi in 1932 and 1933 not only as a military challenge to his authority, but as the symptom of economic malady. He and his associates have quietly worked at a program of reconstruction which has resulted in the improvement and extension of communications, in rural rehabilitation and in currency reform. Education has been made available to an increasing number of children and adults, and officials of all grades have been trained in special schools.

It has taken much patience and persistence to carry out quietly such far-reaching measures. Chiang has been greatly aided by his beautiful



ACROSS THE SNOW-COVERED FIELDS is seen the Log Chateau, the main residential building of the Seignior Club. A complete program of winter sports has already been outlined and put in operation for members and their friends. —Photo by Associated Screen News.

and talented wife, a woman who has strong Christian convictions and a sense of social responsibility. She has traveled widely with him, has given wise advice, and has been an important member of the brain trust surrounding her husband. The greatest diplomatic triumph of his career was the negotiation by Chiang of an

agreement with the Canton faction in the summer of 1936, when civil war was avoided and the country was more united than ever before in the history of the Republic. About a month ago Chiang Kai-shek celebrated his 50th birthday. The nation made him, as head of the army, a present of 50 aeroplanes. His per-

sonal prestige seemed to be at the peak when news came of his detention by the Young Marshal.

The position of Chiang Kai-shek has an important bearing on Sino-Japanese relations. For about forty years the Rising Sun has been shining brightly in Asia. In 1895 Japan defeated China and won the rich island of Formosa. Ten years later she defeated Russia, and in 1910 annexed Korea. She next took over the former colonies of Germany, but resolutely gave them up at the end of the War. For more than twenty years Japan has been consolidating her strong position in South Manchuria. All the while she has been fishing in the muddy waters of Chinese politics. In September, 1931, when China was stunned by the great Yanaste flood, and when Europe was anxious about Britain's financial crisis, Japan struck a decisive blow at Mukden and Manchuria was hers for the taking.

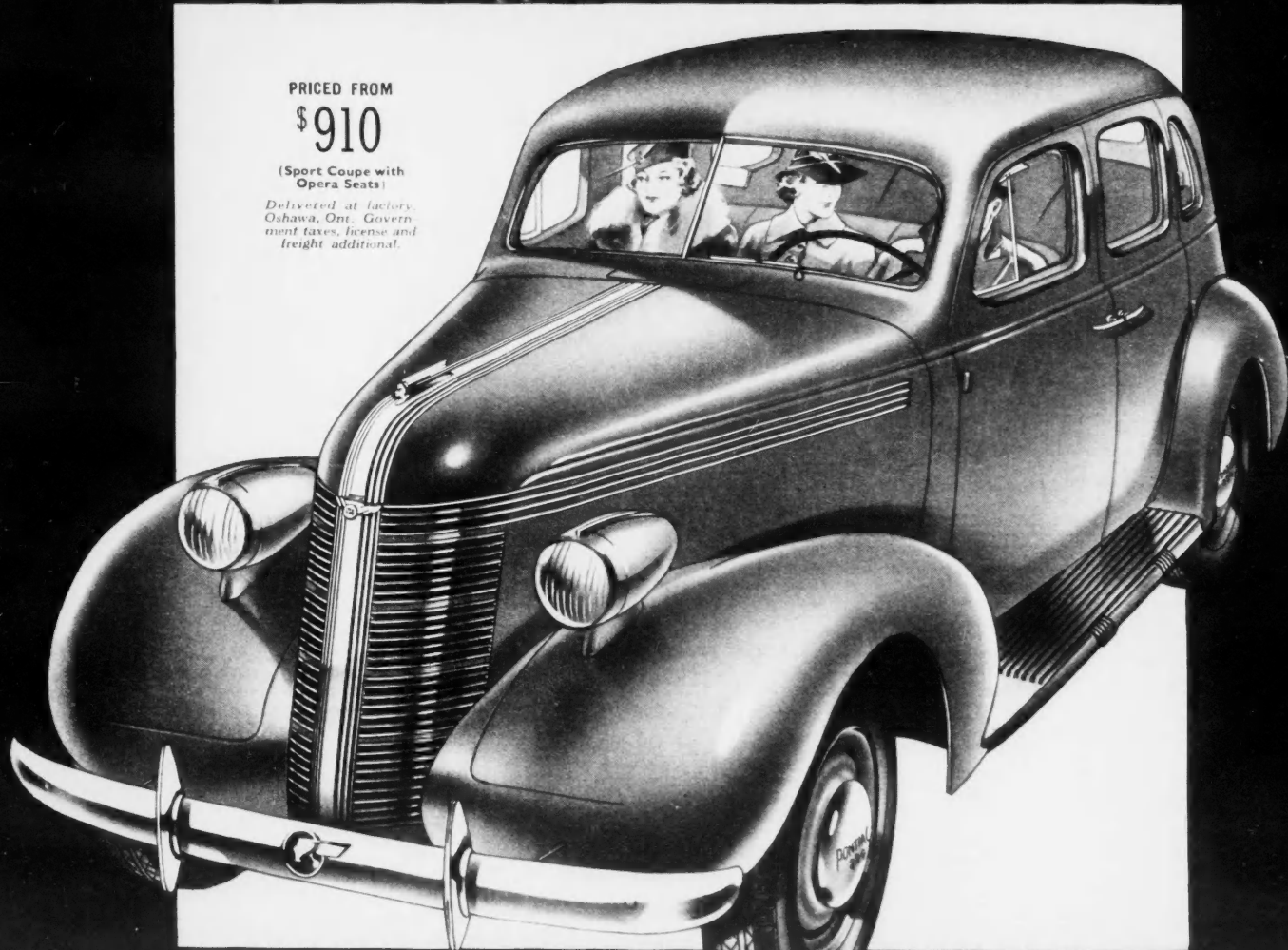
It was the loss of Manchuria which spurred China, under Chiang Kai-shek, to put her house in order. I have already described the period of economic and political reconstruction. It has been widely assumed that Japan, at her convenience, would proceed to bite off large chunks of China till the whole would be diseased. In recent months a number of tactical encounters between China and Japan, suitably camouflaged, have taken place. The Chinese have won some important diplomatic victories, and the settlement of the Canton crisis by Nanking last August showed the latent strength of a united China.

THE Thrift CAR OF 1937

PRICED FROM
\$910

(Sport Coupe with
Opera Seats)

Delivered at factory,
Oshawa, Ont. Government
taxes, license and
freight additional.



PONTIAC 224

A BIG new Pontiac... at a price that speaks for itself! Yet, with low first cost, Economy is just getting under way. As the miles flow by, you'll find that Pontiac "224" offers more miles per gallon as well as more car per dollar... longer life and lower upkeep. It's the New Economy Six in the Low Price Field... the thrift car of the year!

From the splendid reception accorded the Pontiac "224", it is evident that motorists heartily approve what General Motors engineers have done... Increased Pontiac in size, luxury and comfort... Boosted its power and lively getaway... Made its beauty even more distinctive... while prices have been brought down near the lowest!

Here's brilliant styling and basic improvements duplicated by no other car in the low price field... Here's performance that touches the heights. Finger-tip steering, feather-touch braking and flashing acceleration make Pontiac a wonderfully responsive car... more flexible in traffic... more restful on the road. With its new Unisteel Turret Top Body by Fisher, the car is a veritable fortress of safety.

See—ride—then you'll decide that Pontiac "224" offers you everything you want in your 1937 car... at the price you wish to pay. You will be interested to hear how easily ownership can be arranged through the convenient terms of the General Motors Instalment Plan that provides monthly payments to suit your purse.

FEATURES THAT EMPHASIZE THE VALUE

NEW All-Silent, All-Steel, Turret Top Body by Fisher with Unisteel construction... Fisher No-Draft Ventilation... Safety Glass all around. Double-Strength, 4-way Cantilever Frame.

NEW LONGER WHEELBASE—Increased to 117", contributing to roominess and comfort. Flat floors—no "humps". Chair high seats. Adjustable, tilting 3-passenger front seat. 25% more luggage space.

NEW IMPROVED KNEE-ACTION GLIDING RIDE—with Anti-Roll Stabilizer. Perfected Centre Point Steering... Hydraulic Brakes... Syncro-Mesh Transmission... Cowl Type Emergency Brake.

NEW VALVE-IN-HEAD SIX CYLINDER ENGINE—with lightweight "Anolite" type pistons and Octane Selector.

NEW MORE BEAUTIFUL "SILVER STREAK" STYLING—that makes Pontiac the most distinctive car in its field.

CANADA'S FINEST LOW PRICED CAR

MUSICAL EVENTS

BY CHRISTOPHER WOOD

THE choir of the Church of St. Simon the Apostle presented in Eaton Auditorium on Monday, December 21, a concert of Christmas carols, assisted by Dr. Charles Peaker, organist. The program was divided into four groups, the first three being sung by only a part of the choir, who were in costumes suited to the periods of the carols—Tudor, early nineteenth century, and French-Canadian of the time of Champlain. The last group of modern English carols was sung by the full choir in cassocks and surplices. The singing throughout was of a really high order. The boys' voices were delightfully free of that creaky quality so beloved by Victorian schoolmasters, and inclined even in this year of grace still to haunt many boys' choirs. The enunciation also was distinctly clear, and the "dressing-up" business was well managed, never appearing a cover for poor workmanship. Indeed, a slight tendency to go sharp was the only noticeable fault, a fault to which boys' voices seem naturally prone. One of the most interesting numbers was the Indian carol, "Jesus Ahahonia," the Indian words of which were written by Father Jean de Brebeuf who was stationed in the country between Orillia and Penetanguishene in the earlier part of the seventeenth century. He appears to have been one of those rich and fragrant personalities which appear in this world comparatively seldom. "What an excellent man for these countries," wrote Father Jean de Brebeuf, "His most fortunate memory, his amiability and gentleness, will be productive of much good among the Hurons." The carol became traditional among the Hurons and from a part of the nation settling in Lorette, it was copied down by Father de Villeneuve in the eighteenth century. The English translation sung by the choir on this occasion was by J. E. Middleton and the choral arrangement by Healey Willan. The whole program, indeed, was notably interesting, ranging all the way from traditional carols of the fifteenth century to those of Martin Shaw and Peter Warlock. Such a concert is a true artistic pleasure and may well serve as an inspiration to other church choirs. Mr. Lewis, the choir-master, deserves the highest praise. Dr. Peaker played three organ compositions characterized by his usual dexterity and finish, but marred unfortunately by the fact that the heavy curtains had to be drawn in front of the stage while the sets were changed, which, pictorially, as Dr. Peaker explained, "put the organ to bed." Added to this a number of persons in the audience seemed to consider that the organ made a fine accompaniment to their conversation, a display of ill-mannered stupidity which is fortunately rare.

lets by composers of the Tudor period; a period, in so far as music is concerned, surprisingly short when one considers the enormous output of what in sober earnest and without any least trace of exaggeration may be spoken of as the most beautiful song music this sorry little planet has ever heard. For in this short period of little more than fifty years at the end of the sixteenth, and the beginning of the seventeenth, century lived the English madrigal composers renowned throughout Europe, and in the opinion of many not falling below the standard of the Italian School which preceded it and of which Palestrina was the most notable ornament. And it is only comparatively recently that this treasure has been "discovered" due to the researches of Dr. Fellowes and others. Even more recently has Toronto had the privilege of hearing these works, which must not be regarded as antiquities of merely historical interest, in any quantity or quality of performance. Since Dr. Willan formed the Tudor Singers for the express purpose of singing them.

It is some time now since I last heard these singers and I find a vast improvement in all their work. Verbal enunciation is much clearer with greater smoothness of articulation, and a certainty of pitch which seldom fails. Only in Morley's "Dainty fine sweet nymph" did it noticeably falter and cause one auricular uneasiness. The quality of tone, too, is much finer and the balance between the parts verges on perfection, and only in the sopranos is there any tendency for individual voices to obtrude even this being much less noticeable than it used to be. John Bennett's "Weep, O mine eyes" was, I think, the highlight, and it was asked that it be repeated at the end of the concert. Yet it would be hard to choose between this and Orlando Gibbons's "The Silver Swan." This group ended with John Bennett's contribution to the "Triumphs of Oriana." All creatures now are merry-minded. The last part of the concert was devoted to carols which included two of Healey Willan's own, and concluded with his arrangement of "Bring us in good ale." Encores included two madrigals by Orlando di Lasso, and Healey Willan's own madrigal "In youth is pleasure."

THEATRE

"THE SNOW QUEEN"

BY JAY HANLEY

WHILE "The Snow Queen," Nancy Payer's Hair House Theatre production of Hans Christian Andersen's fairy tale left to little children at Christmas time carries the young people of the audience away from worldly affairs to the land that this kind of play is supposed to portray, it still leaves the parents and all other persons worried about the European situation, particularly as some of the players, notably Miss Billie Dismore as Gerda, jump about like flies from one part of Europe to another and then hop to the North Pole.

As for Nancy Payer, she deserves a great deal of credit for her direction. She has taken a most difficult condensation of pantomime, Gilbert and Sullivan and ballet and given it sufficient time and unity to hold the attention of even the adult members of the audience occasionally. The direction is good enough, in fact, that one could wish that she had time enough off from it to have devoted a session or two to some dramatic operation on the script with a blue pencil. The show does not exactly trip through a program, fourteen scenes and an epilogue, not counting time out for ballets and cat songs. Since the first of the two acts required almost as much time to perform as the average full-length play for adults, the playwright, producer and cast can no more be accused of lack of the proper Christmas spirit of generosity toward the children than can the fond mother who allows her small offspring two adult-size helpings of roast potatoes and good cheer, the only punch on Christmas day.

A shorter version would at any rate have been less tiring on the child actors. Billie Dismore, for example, has a very long role and does it very well. It is rather a mystery why Gerda, in her search for her little lost boyfriend Kay, played by Lloyd Boehmer, finds herself in the power of an excellently portrayed old witch, played by Beta Paisyhe, who wants to change her into a flower and keep her in a magic garden. For approximately the same reason she meets Patrick Morris and Anne Pearson who are being Mr. and Mrs. Raven. They introduce her to Tanya Thompson and Arthur Wilson who are a prince and princess willing and eager to subsidize and expedite Gerda's trip to the North Pole in search of little



"PRIDE AND PREJUDICE," Helen Strickland, Molly Pearson and Muriel Kirkland in Max Gordon's presentation of a dramatization of Jane Austen's famous novel which comes to the Royal Alexandra, Toronto, on Jan. 4, 5 and 6.

Kay, who was in the audience all the time (we saw him). But the children probably understood.

It was obvious from the way the young actors romped about the stage that they enjoyed playing their parts. Their natural and honest Canadian voices were in such contrast with the genteel English of some of the adult

is brilliantly successful, and the author and producer have done a remarkable job in handling so large a group, almost constantly all on the stage together, with such spontaneity of team work and such sharply defined individuality of character. A special word is due to Toni Gilman for her skill in singing a song so that it actually appeared to be being sung to the people on the stage and not to the audience.

If Mr. Cosentino had written this play for his former fellow-citizens rather than those of his present more metropolitan habitat, there would undoubtedly have been less profanity and a somewhat more guarded treatment in the discussion of nymphomania and birth control; but we are not prepared to say that this would have made it a better play.

CANADIAN DRAMA LEAGUE

BY W. S. MILNE

A PUNCH and Judy show, followed by a doll-and-gollywog dialogue, was a somewhat unusual prologue to a serious devotional nativity play in an ecclesiastical setting on the stage of the Eaton Auditorium last Saturday afternoon. The play was given the meaningless title, "The Story of the Music Box," and further prefaced by a somewhat irrelevant and trivial juvenile scene. The audience of children, who had come there apparently to see the sort of thing typified by Punch and the Gollywog, were rather restive during the stately tableaux of the nativity story, and still more so during the carols rendered by the restless small boys in modern choir costume who seemed to have wandered into the midst of a mediaeval setting. The youthful audience's brightest moment was when the third shepherd, a well-built youth garbed in scanty sheepskin, rushed down the centre aisle, "It's Tarzan!" was the cry.

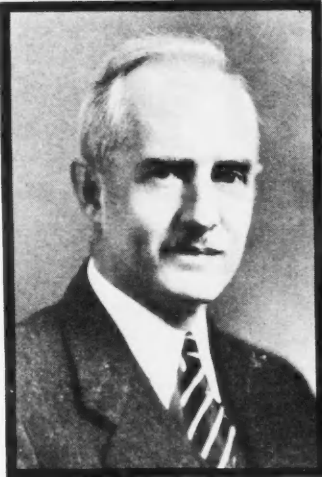
Much that was lovely in costume and movement and language went to the making of the Nativity play, but, as one has come to expect in Canadian Drama League presentations, there was also much evidence of scamped rehearsal and inattention to detail. The unison recitative of the three angels was lifeless and poorly synchronized, and there was no excuse for the abbreviated dailiness of the ecclesiastical worthies, beneath which only peeped blue serge trousers, rolled to the knee.

COMING EVENTS

FAR-TRAVELLED is the famous Westminster Chorus, which, under the direction of Dr. John Finley Williamson, comes here for a concert on Friday evening, January 15th, at Massey Hall.

During its latest European tour it made forty-two appearances in forty-nine days and those in eleven different countries. But prior to that, these celebrated American symphonic singers, under their distinguished director, had undertaken another European tour during which they made twenty-three appearances in nine different countries. In the United States, the Chorus had made extensive yearly tours and has given concerts in more than two hundred cities here and in Canada. It is by now probably the best known choral group on either side of the water.

The recent outstanding success of the Westminster Chorus in Russia brought high praise for these forty-one American singers, for the Russians know good choral singing and themselves have sent us several distinguished choruses. The Westminster, however, took Leningrad by storm. Booked for four concerts there, they were implored for more. Audiences of not less than 4,000 cheered their performances. Stades filled the fire regulations and crowded past the ticket-takers to hear them. The Radio Commissar officially introduced them to their audiences and by special demand, all of their concerts were broadcast. Proceeding to Moscow, the Chorus was welcomed at the railway station with flowers and brass bands, and seven concerts could hardly take care of the crowds who wanted to hear them. American Ambassador Bullitt gave a reception in their honor which was attended by high Soviet officials. The other countries included in the Chorus's second European tour were



CONDUCTOR, John Finley Williamson, conductor of the Westminster Chorus which will be heard in Massey Hall on Jan. 15th.

members of the cast that it left one wondering just how many years it takes to train a typical Little Theatre troupe.

"MOON OVER MULBERRY STREET"

BY B. K. SANDWELL

AUDIENCES at the Royal Alexandra Theatre this week are transported back into the good old days when the theatre was a place to act in and the business of a dramatist was to give actors something to act. There is quite a lot of really first-class acting in "Moon Over Mulberry Street," with that famous impersonator of Italian characters, Mr. William Edmunds, doing the most important job, very ably assisted by Norman Stuart, Irene Manion, Toni Gilman, and half a dozen others. All the important characters are New York Italians, but Mr. Cosentino, who invented them, is a Toronto Italian, and there is really no compelling reason why the scene should not have been laid in Toronto's Little Italy except that New York would not have been as interested in that locale as Toronto is in New York's Little Italy.

The theme of the play is young love and family affection, and except for the fact that the only villain is a wealthy young woman from Park Avenue, who plays with the hero's heart in the standard females-villain manner, the plot could be duplicated in any comedy melodrama of the last fifty years. But the characterization of the family life of the Morlidos and their neighbors in their basement flat



THE WESTMINSTER CHORUS which comes to Massey Hall on Jan. 15th.

THE TORONTO CONSERVATORY OF MUSIC

RECITAL BY ADVANCED GRADES STUDENTS

Conservatory Concert Hall

MONDAY, JANUARY 11TH, 1937, AT 8.15 P.M.

PROGRAMME

Papillons, Op. 2	SCHUMANN
Where'er Ye Walk	HANDEL
Sea Fever	IRELAND
Linden Lea	VAUGHAN WILLIAMS
Concerto in D Minor	SIBELIUS
Allegro moderato	
PEARL PALMASON	
Gavotte from "Manon"	MASSNET
Il Bacio	ARDITI
The Maids of Cadiz	DELIBES
MURIEL WILSON	
Sonatina, Op. 13	KABALEVSKY
Allegro assai e fusingando Andantino Presto	
ELINOR DOAN	
The Song of Honour (abridged)	RALPH HODGSON
BERENICE DAVIS	
Der Hirt Auf Dem Felsen	FRANZ SCHUBERT
LILY WASHIMOTO	

Invitations available on request

Address: 135 College St., Toronto

Phone W.A. 2655

UPPER CANADA COLLEGE

(Founded 1829)

Memorial Scholarships . . . Upper School

In honour of 'Old Boys' of the College who fell in the Great War, Upper Canada College offers for competition a number of Scholarships of \$600.00 a year for three years, to candidates who are under fourteen on the 1st September prior to the examination which is held in April.

Bursaries at Preparatory School

Three Bursaries are offered to enable boys to enter the Preparatory School who otherwise could not do so.

For full particulars apply to the Principal, Reference 2, Upper Canada College, Toronto.

Trinity College School

A Boarding School in the Country for Boys

PORT HOPE, ONT.

Full information, including details of Scholarships and Bursaries, will be sent on request to the Headmaster.

Term begins Jan. 7

PHILIP A. C. KETCHUM, M.A., B. PAED.

Meisterschaft Matriculation College

Intensive individual instruction—rapid for brilliant students—simplified for backward ones—prepares for coming Matriculation between now and June.

SCHOOL REOPENS JANUARY 4th

PRINCIPAL: R. G. McCONOCHIE, M.A., D.P., D.Sc. ADDRESS: 1 ST. CLAIR AVENUE W., TORONTO

Golf is at its best NOW!

Belmont Manor

AND GOLF CLUB

On the Belmont's 18-hole, 6300 yard championship course you can play golf under ideal conditions. And Belmont accommodation, service and cuisine offer you all that is best in hospitality.

For bookings, booklets and information, address your Travel Agent or John D. Evans, Man. Dir., Belmont Manor, Bermuda.

in BEERMUIDA

Holland, Denmark, Norway, Sweden, Finland, Hungary, Austria, Italy, Switzerland and France. The King and Queen of Norway attended their concert in Oslo.

JOHN CHARLES THOMAS, hailed by international critics as the greatest baritone of this generation, will be heard in a recital at Massey Hall on Tuesday evening, January 19th, the third artist to appear here in the "Celebrity Concert Series."

It has not been many years since "Maytime" was blossoming on Broadway, nor since John Charles Thomas was drawing some \$30,000 a year for filling the house nightly with both people and glorious music. It was during the success of "Maytime" that he decided to attempt a full-fledged concert tour. He wanted to lift himself to a higher artistic level, and as he says, "the monotony of singing the same music night after night became unbearable to me." For that first tour it was necessary to get testimonials from stage celebrities who knew Thomas "when," in order to draw any crowd at all. Today, however, this is all changed. Thomas is the best known concert and operatic baritone in the United States and his income now is back where it can be written in six figures.

Thomas was born to sing. In his boyhood he was the principal singer for the Pennsylvania revival meetings which his father conducted. He "thinks" music, of course. It would be impossible to sing or discover as many new songs each season as he does

without thinking and living in music constantly. He does not, however, talk music unless pressed to do so. He talks about golf and business and motor cars just like any other successful American; or better, about speedboat racing, a sport in which he has won many trophies. He is extremely proud of the fact that he is a Texas Ranger—there are only two other honorary members in that band of hard-riding men—and he has seven police and sheriff badges which he wears on occasion.

ON SATURDAY evening, January 9, in Eaton Auditorium, music lovers of Toronto are to hear an interesting program of compositions written by Charles Jones, of New York, formerly of Toronto. It will consist of a string quartet in C major, a Capriccio for viola and piano, and a number of songs, to be sung with piano accompaniment. The artists appearing for this recital are: Harold Sumner, violinist; Hyman Goodman, violinist; Tom Brennan, violist; Marcus Adeney, cellist; Frances James, soprano; Gwendolyn Williams and Louis Cramer, pianists. Charles Jones is a young violinist of repute, who commenced his studies for composition under Leo Smith of this city. Later he continued his work at the Institute of Musical Art in New York, and he is at present the holder of a much coveted fellowship at the Juilliard Foundation, working under the supervision of Mr. Bernard Wagenaar. The works to be performed at this concert were written during the present year.

TORONTO SYMPHONY ORCHESTRA

SIR THOMAS MACMILLAN, Conductor

MASSEY HALL

TUES. EVE., JAN. 5

GUEST ARTIST

STRAVINSKY

Composed and conducted

Porquache, Enchanted Suite, Symphonies No. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000

MASSEY HALL

FRI. EVE., JAN. 15

WESTMINSTER CHORUS

JOHN FINLEY WILLIAMSON, Conductor

One of the finest choral bodies in existence

New York World Telegram

MAIL ORDERS NOW

50c, \$1.00, \$1.50, \$2.25 Tax included

ROYAL ALEXANDRA

3 DAYS ONLY BEGINNING

MON. EVE., JAN. 4

MATINEE WEDNESDAY

MAX GORDON Presents

One of Last Season's Great New York Triumphs

PRIDE & PREJUDICE

A Dramatization by Helen Jerome of Jane Austen's Famous Novel

This Play Is Now a Reigning Success in London

Superb Cast of 32

Directed by Robert Sinclair



JOHN CHARLES THOMAS, the distinguished baritone, who comes to Massey Hall on Jan. 19th in the Celebrity Concert Series.

THE FILM PARADE

BY MARY LOWREY ROSS

NEW YEAR'S CLEARANCE

A FEW garbled notes on the year just past, gathered from memory, from the files, and from data scribbled in the dark on the backs of ticket stubs:

A marked advance in technicolor in the year 1936, as shown by "The Trail of the Lonesome Pine," "The Dancing Pirate," "Ramona," and the determination of Miss Marlene Dietrich to employ only those colors and textures which will emphasize the Dietrich allure; "Life" is swallowed up by "Time" which opens up its candid camera studies with an all-too-candid record of the early life of Robert Taylor; a youth in one of the Western States shoots himself for love of Shirley Temple; Joan Blondell and Dick Powell hold their post-nuptial reception in New York harbor and later reveal that their honeymoon has been completely spoiled by the ardent attentions of their public; news-reel items of the year include Herr Hitler reviewing the German troops, Mussolini reviewing the Italian troops, the Miller Will contestants, the London-Roosevelt campaign, Herr Hitler blessing the Olympic games, Herr Hitler's newest Christmas toy, a life-throwing armoured tank guaranteed to shivel all life at a distance of 300 feet, President Roosevelt's near-tour of the Americas; the London crowds during Abolition Week; the Fall of the Alcazar; fashion flashes showing models wearing real orchids in their hair and real orchid shoulder capes. The League of Nations issues a brochure revealing that children do not enjoy Shirley Temple pictures; Shirley Temple retorts by issuing three more Shirley Temple pictures for children; Tarzan escapes; Norma Shearer and Leslie Howard play "Romeo and Juliet" and Mussolini appears in a balcony scene announcing the conquest of Ethiopia. George Arliss, on whom the sun never sets, appears in the role of an Oriental potentate twitting the British Foreign Office. Mrs. Wallis Simpson enjoying winter sports on the continent. Mrs. Simpson enjoying summer sports. Report that Shirley Temple has false teeth neither affirmed nor denied by United-Fox. The San Francisco earthquake revived with sound by Metro-Goldwyn-Mayer. Report given out that Joan Crawford always drinks standing, because the *deverre* aspect of ladies at bars offends her taste. Late flowering romance of Mary Pickford and Buddy Rogers culminates in marriage and Gene Raymond and Jeanette MacDonald announce their engagement. Several thousand secretaries busy on the romance of Edward and Mrs. Simpson, trying to wrest from their material a version that won't give offence to anybody, including the Archbishop of Canterbury and York. Leopold Stokowski makes his screen debut, in the company of Gracie Allen

and George Burns. The Dionne quintuplets pile up another \$50,000 against a destitute old age. Herr Hitler holds a secret conference with the son-in-law of Mussolini, a group of Italian and German officials and half the cameramen in Europe; and the Canadian Finance Minister announces a better, brighter and more prosperous New Year in 1937.

GABLE-CRAWFORD fans would not be very crochety indeed not to be satisfied with Metro-Goldwyn-Mayer's latest offering, "Love on the Run," which is a great big Christmas stocking full of holiday entertainment. It has, as the saying is, everything: glib dialogue, handsome sets, a lot of romance, a touch of whimsy, a flight chase sequence, and Mr. Franchot Tone thrown in. It was a little unfortunate for Mr. Tone that he had to be thrown in, and that his only part was to act as a sponge for the playfulness of Mr. Gable; but the producers were determined to give satisfaction, if it took everybody on the payroll. Everything is brilliantly taken care of, including Miss Crawford's wardrobe—she flies to Europe in an aviation costume and without baggage, but is able to pick up a little Pompadour model right in the middle of the French peasant district. It isn't long after this that the international spy ring begins to close in on her and Mr. Gable—I forgot to tell you that it's a spy picture and that Miss Crawford is an heiress and Messrs. Gable and Tone are news-gatherers in the movie sense. More strictly, Mr. Gable is a news-gatherer and Mr. Tone merely a woolgatherer, henned and wondering-eyed. The whole thing is fast and amusing and improbable. Mr. Tone is amiable, Mr. Gable insouciant, and Miss Crawford volatile and gay though I'm beginning to wish she'd stop wearing hair-ribbons and baby puff sleeves.

IN "STOWAWAY" the protean Shirley Temple talks Chinese, very fluently and I haven't the faintest doubt immediately, probably with a flavor of native idiom. It's impossible not to be astonished by that child. She also gives impersonations of Al Johnson, Eddie Cantor and Ginger Rogers in a way to make people who aren't fascinated by this aspect of the Temple genius shift restlessly in the new Dunlopillo seats provided by the Uptown management. "Stowaway" is distinguished this time by the presence of an adult (Helen Westley) who doesn't think Shirley a bit cute, a part in which Miss Westley quite excels. The other item on the double bill, "Charlie Chan at the Opera," is also Chinese in flavor. It's about an amnesia victim who goes about threatening murder and is shot at by a detective, the bullet glancing off the brain-pan and restoring the victim's memory and reason. Something to arouse the child-wonder in us all.

HERE IS THE MODERN MERCURY

DURING 1937 twelve thousand florists throughout the world will look to a Canadian for guidance in the specialized part of their business which deals with the almost instantaneous delivery of the most beautiful products of garden and greenhouse to happy and sad recipients hundreds of thousands of miles from the donors. The florists who are members of the Florists Telegraph Delivery Association recently elected Ernest S. Simmons of Toronto president of their organization. He is now the world's No. 1 "Say it with Flowers" man, and is probably sprouting wings on his heels.

Born in Toronto in 1894, educated at the Toronto Normal School and University of Toronto Schools, Mr. Simmons has been a member of the firm of Simmons and Son Limited for the past 25 years and is now vice-president and managing director. His activity in the Florists Telegraph Delivery Association began twelve years ago. He has served the association on the international board of directors, as director-at-large, as regional director and as vice-president. For the past three years he has been in charge of the official publication of the organization. Mr. Simmons is a member of the

Rotary Club, the Board of Trade and the Flying Club of Toronto and is a prominent Mason.



ERNEST S. SIMMONS

The Story of the Mines Vividly Told in SATURDAY NIGHT'S ANALYSES OF CANADA'S ACTIVE MINES

A book for all interested in the great developments taking place in Canada's north country—a book picturing the activities in each camp, giving such interpretations of facts about mines as will aid in forming conclusions of future possibilities. A book of 216 pages (12 x 9 inches in size) well bound and sewn to endure constant usage.

Consider a few excerpts lifted from the extensive Analysis of various companies — Established Dividend Payers — Producers — Young Properties of Promise.

SHERITT GORDON

Note: The sharp advance of copper in the late days of October and of early November—the strong position of that metal—is highly significant for Sheritt Gordon. It should be borne in mind that this advance had not occurred when the following analysis was prepared.

Serious consideration is now being given to the possibility of opening up this former copper-zinc producer, which was shut down in June, 1932, owing to low metal prices.

As the company was not in operation long enough to establish a place as a steady producer, it is difficult to judge its potentialities. Undoubtedly, a good volume of excellent ore has been established. It can be expected that when the management decide that profitable operation can be continued that the company will be able quickly to put itself in a position to pay something to shareholders.

Along with a number of other dormant base metal properties, Sheritt Gordon shares have been purchased to some extent by speculators during 1936 due to the improving statistical and price position of copper and zinc.

VENTURES

At December 31, 1935, Ventures valued interest in subsidiary companies at \$5,847,722, being costs less reserve; holdings in associated companies at cost less reserve were shown at \$1,119,249. Other mining and industrial shares held were shown in the balance sheet at \$906,358 and it was stated that they had a market value of \$2,620,000.

As at November 18, 1936, the company's holdings in its chief subsidiaries and associated companies had a market value of over \$31,000,000, or approximately \$3.00 on each share of Ventures. This compares with a market value at the same date of \$5.15 a share for Ventures stock.

SUDBURY BASIN

The company was originally formed to develop a copper-lead-zinc property at Vermilion Lake, Sudbury, but low metal prices forced cessation of operations in 1930.

Public interest in Sudbury Basin Mines now

centres on its holdings of stocks of producing mines and prospects, chief of which are Falconbridge, Canadian Malartic, Matachewan Consolidated and Sheritt Gordon. Market value of its holdings of listed mines at November 13, 1936, was approximately \$14,000,000, or \$8.00 per share as compared with a market price for Sudbury Basin of \$6.10 at that time.

PIONEER OF B.C.

At Cadwallader Creek, Bridge River, in the Lillooet mining division of British Columbia. See map in blue section.

A consistent dividend payer since 1931, with over two and a half years' ore reserves in sight, without inclusion of ore indicated below the 14th level, Pioneer, B.C., must be considered in the investment group of Canada's gold mines.

MACLEOD COCKSHUTT

It is generally understood that the shallow drilling indicated one million tons of ore of a \$12 grade above the 300-foot level. If underground work checks this it would mean that twelve million dollars could be developed quickly. It would be difficult to find a parallel case in Canadian gold mining where so much ore reserve tonnage and values could be exposed in so short a time and at such a limited cost. The Hollinger No. 1 vein alone carried greater value but not tonnage.

The next six months should be most interesting.

PAYMASTER

As the company is currently making gold at the rate of approximately \$80,000 a month, it seems reasonable to expect an increase in revenue for the year June, 1936, to June, 1937, of some \$200,000 (making the total approximately a million). This will substantially help earnings.

NORANDA

The improving earning position of this great company is in part revealed by the official estimate of profits for the first nine months of 1936. These are given as \$6,551,891.42, or \$2.92 per share. Since this profit is made up of \$1,092,000

288,931 in the first quarter, \$2,251,157 in the second quarter, \$2,418,443 in the third quarter, and since the recent increase in the price of copper will give added benefits for the fourth quarter, it is reasonable to assume that the net profits for the year 1936 will exceed \$4.00 on each of the 2,239,772 shares (a very small number for a property of such magnitude).

DOME

Whether the Schumacher, the most recent addition to the Dome, is another new mine or an extension of ore bodies from other ground has not been made public; but it is a reasonable assumption that such large commitments as the deal entailed would not have been made without definite knowledge as to general outlines and value of the Schumacher ore bodies.

The Dome, now an old mine, today looks still young.

INTERNATIONAL NICKEL

The net earnings for 1935 were \$1.65 per common share, of which 75c was paid in dividends on common shares. The present dividend rate on common shares is on a basis of 55c per quarter, as paid September 30th, 1936. As the expense entailed in connection with the new smelter has been taken care of and a sound surplus has been built up, it is likely that the company will soon become more liberal in its disbursements to the holders of the common shares—especially as the output and the earnings are on the upgrade.

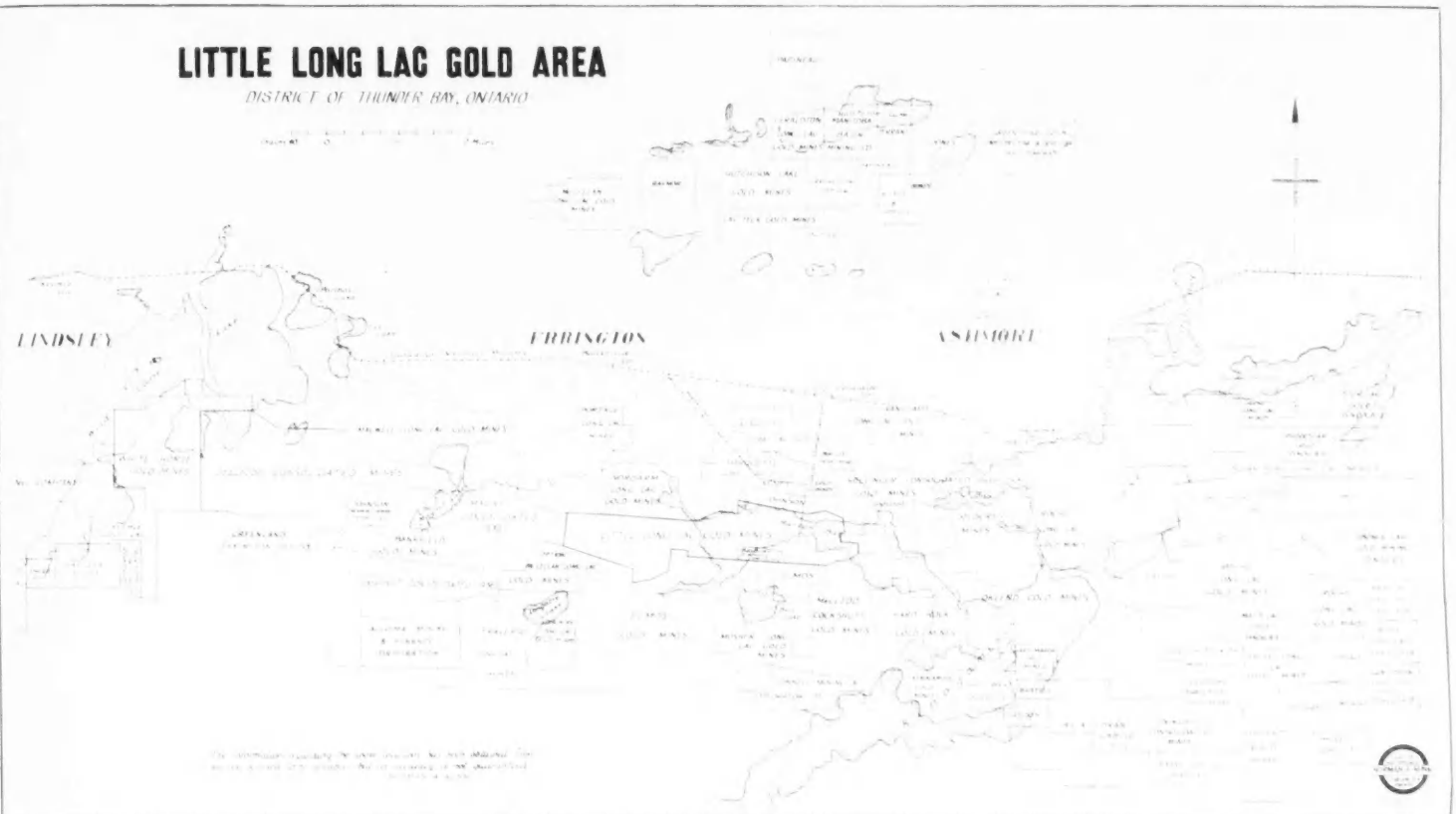
MCKENZIE RED LAKE

As development of depth continues to disclose further ore-bodies, the outlook for this gold producer becomes steadily brighter. Results during the first half of 1936 show considerable improvement over 1935 and further increase in mill capacity is planned. It has been officially announced that it will be the company's policy to distribute as much as possible to shareholders.

The company state that about 2 tons of ore are put in sight for every ton milled, as a result of continued development work.

A MINING ATLAS REVEALS THE LOCATION OF PROPERTIES

Each analysis states clearly the camp in which the property is located. Turning to the Atlas—easily found as printed in a special colored section—the property quickly may be located and its relative position to other properties seen.



SAMPLE MAP (slightly reduced) IN ALL TWENTY-SEVEN MAPS APPEAR AS FOLLOWS:

Principal Mining Areas of Canada, Bridge River—British Columbia; North Western Quebec Gold Area; Rouyn Gold Area; Cadillac—Malartic Area; North Western Quebec, Township of Beauchastel; Sessou; Tamarac; Pexidris Gold Area; Chibougamau Mining Area; Dupre-Gout Gold Area; Schreiber Gold Area; Sudbury Mining Area; Kirkland Lake Gold Area; Larder Lake Gold Area; North-Western Ontario; Red Lake

Area; Little Long Lac Gold Area; Sturgeon River Gold Area; Malartic Gold Area; Chester Townships; Duck Lake District; Pottapone Gold Area (two pages); Michipicoten Gold Area; Heslop Township, Ontario; Lake Athabasca Gold Area; Flin Flin Mining Area; Pickle Lake—Craw River Area; God's Lake Gold Area; Rice Lake Gold Area.

ORDER YOUR COPY AT ONCE

The supply is limited and is being heavily reduced daily. So, take a moment at this busy season, and send in your order NOW. The Analyses of Mines will give you a clear understanding of the active mines—will make all news appearing day by day much more meaningful.

ONLY \$2.00

PER COPY

USE THE ACCOMPANYING COUPON

SATURDAY NIGHT'S ANALYSIS OF MINES,
74 RICHMOND STREET WEST,
TORONTO.

Please send _____ copies of four Analyses of Mines to addresses

given below. I understand the price is \$2.00 per copy and enclose \$ _____ to cover cost.

Name _____

Address _____

L.A. 2

If more than one copy please attach clear list of addresses.

THE BOOKSHELF

CONDUCTED BY HAROLD F. SUTTON

FUTURE OF THE EMPIRE

"The British Empire: Its Structure and Its Problems" by Johannes Stoye; Translated from the German. Toronto, Collins, \$4.
"Magna Britannia" by J. Coatsman. Toronto, Nelson, \$3.

BY B. K. SANDWELL

THE interest which English readers have taken in this volume by Herr Stoye must be due more to the desire to find out what the Germans are thinking about the Empire than to the expectation that they can add anything to the available knowledge in English on that subject. The volume is an exemplary warning of the dangers that beset the historian who tries to make an original study of events which have opened under conditions with which he is not thoroughly familiar and were recorded in a language which is not his own. On the subject of Canada the author's errors frequently approach the character of a school-boy's "howler". Speaking of the Alaskan boundary award, he says "the arbitrator was England". And speaking of the railway deficits of 1931 and 1932, he says that "every single family in Canada had to submit to a special tax of ninety dollars, solely on account of the losses of the state-owned railways". Sir John A. Macdonald is described as a great statesman "whom the Canadians are wont to compare with Bismarck". Of the Boer War, it is said that "it is too little known that without the support of the 7000 auxiliary troops, the English would never have won the war". Of the Cabinet it is said that "the twenty-four members... can only be chosen from the hundred members of the Privy Council", which we gravely fear means that the author thinks that the Privy Council is a limited body, and has failed to realize that it is the act of appointment to the Cabinet itself which creates the appointee a member of the Privy Council. It is not surprising that Germans should fail to follow the intricacies of the British parliamentary system of Government, but they should not write books about it without having read a few of the more important volumes in English which have been devoted to the subject.

This does not by any means mean that the volume is devoid of interest. The author is not greatly concerned with the constitution of the Empire, and says practically nothing about the difference between the self-governing portions and those which are administered from London. But he has thought a great deal about the qualities of the race to which he owes his nationality, and he is convinced that wherever that race is predominant in a population, or finds itself in contact with another race which is capable of co-operating with it, it includes the British, Canadian, and the African. In this list, it will succeed in maintaining a large measure of impartiality. Both its exclusions and its inclusions in the British Empire which he envisages for the future are interesting; he is confident about the adherence of South Africa, but he

detaches India, on account of the racial quality of its population, and also a considerable part, if not the whole, of Australia, on the ground that this country cannot be withheld from Japanese settlers, who naturally will not be very co-operative. At first sight this catalogue of the detachable and non-detachable parts of the Empire seems odd; but we must not forget that Germany is engaged at the moment in cultivating the good graces of Japan, and has no immediate designs, either for itself or for any allies, on South Africa. He realizes that such an Empire will function in very close understanding with the United States.

MR. COATSMAN, whose volume is largely concerned with the constitution of the Empire and the manner in which it is operated, is less addicted to explaining everything in terms of race, and arrives at a precisely opposite conclusion concerning the future of India. He thinks that India is destined to be the chief obstacle to the spread of the Japanese military hegemony over the whole of Asia, and that "India's acceptance of the Commonwealth ideal is thus a fact which will probably prove to be of decisive importance in the future of Asia". He sees that "British rule has made out of a number of contiguous territories and peoples one great political and economic unit, and the lessons which India has to teach to the other countries of Asia will, assuredly, not fall on deaf ears". Some readers will find Mr. Coatsman unduly optimistic about the relations between white and black races in Africa. It is interesting to note the radical difference between Herr Stoye and Mr. Coatsman on the reasons for the event which they agree in predicting, namely, the rapid drawing together of the British Empire and the United States. The German's explanation is entirely racial and economic. The English writer lays far more stress upon common principles of government and a common cultural heritage. "The principles on which the Commonwealth is founded are becoming familiar to the American people, who readily recognize in them a new and valuable influence for all the world."

TRAVELS IN PALESTINE

"A Journey to Jerusalem" by St. John Ervine. London, Hamish Hamilton, 366 pages and illustrations, \$2.75.
"Palestine on the Eve" by Ladislav Farago. Toronto, McClelland and Stewart, 286 pages and maps, \$3.25.
BY EDWARD DIX

OLDAGE, St. John Ervine tells us, is the time to travel; it is when we are septuagenarians that we begin to be interested in the past of the world, and traveling is largely a trade in the past. "A Journey to Jerusalem" is a record of St. John Ervine's travels in the Mediterranean and his interpretation of its history in terms of his own times.

Mr. Ervine traveled in Spain, Corsica, Malta, Greece, Asia Minor and the Holy Land; an itinerary commonplace enough as winter cruises go but since Mr. Ervine's method is like



EVELYN VARDEN, Eva Le Gallienne and Wilfrid Lawson in "Prelude to Exile," a Theatre Guild play based on Richard Wagner's life.

no other traveler's, of more than ordinary interest for the play it allowed him for ideas that range from a discussion of Plato's "Laws" to a denunciation of painted finger nails.

Mr. Ervine was on holiday, the kind of holiday that newspaper columnists envy, when a man can stretch himself in the best Mediterranean sunshine beyond the restrictions of a weekly column and choose and chat on any subject he likes. One realizes that Mr. Ervine went to Corsica less to see that island as to tell the story of Letizia, Napoleon's mother; that he visited Malta only because Saint Paul was shipwrecked there; that on the site of ancient Troy Helen still remains dust to him while Heinrich Schliemann, the amateur German archaeologist who discovered the ruins, is the great and heroic memory. Few travelers ramble so entertainingly and no book has so little purpose or plan, but no one will quarrel with a technique that gives us almost simultaneously Plato and Ernest Hemingway, Menelaus and the Blessed Teresa Helena Higginson, that transports us in two paragraphs from Ephesus to a cottage near Oxford to have tea with Lawrence of Arabia and Thomas Hardy.

Mr. Ervine left on his cruise with his mind made up on many matters; we who read him in the London Observer every week are accustomed to his positive views and his prejudices; it need surprise no one that between Gibraltar and Jerusalem the doctrine of the Immaculate Conception and of the Infallibility of the Pope irritate him constantly and that he is no less irritated by certain aspects of the Roman Catholic Church in the Holy Land as he would be in his own Ulster.

"I cannot recall an occasion in my life," he writes, "when I did not feel a sense of religion in a Roman Catholic church, even when I feel repelled by relics and evidence of absurd superstition. The faith seems to me to triumph over the tawdry addition to it."

It is in his reconstruction of the life of Christ that "A Journey to Jerusalem" will undoubtedly have its greatest appeal. Mr. Ervine's attitude to Jesus he sums up in one sentence: "I can worship a man who aspired to be a god, but I feel only aversion from a god who reduces himself to the level of a man. I am ready to suffer much for Jesus the man; I am not ready to suffer anything for Jesus the god."

It is as man and not god that Jesus takes his place along with many other historic characters in Mr. Ervine's book. Mr. Ervine describes his childhood much as that of a modern artist's eldest son, he tells, in the same manner, of Christ's family life, of his ambitions and their relation to his times. Christ's personality and his surroundings are simplified and humanized to an extent that few historians have tried before. For instance, Mr. Ervine imagines a thoughtful neighbor telling Mary, a respectable widow: "I saw your son Jesus with that Mary Magdalene woman last night... a common fact!"

As was to be expected (since it seems almost inevitable with travelers' notebooks), Mr. Ervine was hard put to lose his illusions while visiting the holy places of Jerusalem. The commercialism disgusted him and he is revolted by the sight of a priest begging for alms in the Holy Sepulchre. The whole racket of begging which he encountered everywhere in the Mediterranean becomes too much for him in Palestine and the sight of dirty palms and cries of "Baksheesh!" put him definitely against the Arab and on the side of the Jew.

LADISLAV FARAGO, traveling in Palestine at about the same time, is neither for nor against Arab or Jew but succeeds by his dispassionate and careful treatment of facts in leaving little doubt that the immigrant Jew is doing far more than the native Arab to justify his claims in Palestine.

Ladislav Farago arrived in Palestine early in 1936 when the Arab strike was on and the country more than generally in a state of unrest. He stayed eight weeks, traveling to all parts of Jewish Palestine, then into Arab country, then into Transjordan, studying with the help of representative interviews and personal observation as much of each side of the question as he possibly could.

It was no easy task, and his eight weeks were full of peril; many times he was shot at by Arab snipers on the roads between Jerusalem and the coast, and but for the intrepidity of Jewish

chauffeurs might never have come through; once in a Jewish agricultural colony he was raided by a band of sixty fighting Arabs, and for a while in Transjordan it was touch and go with him whether he would reach Jerusalem alive.

Mr. Farago presents the problem clearly and without bias but offers no solution, suggests even that for a long time yet there will be no solution. He shows a keen grasp of Palestinian politics, mentions a fine Italian hand clearly to be seen among the Arabs, and shows us the unenviable position of British administrators who, while keeping in well with Arab and Jew, must be prepared for the resentment of both. He praises the diplomacy of the High Commissioner, Sir Arthur Wauchope, and sympathizes with him as a victim of the political labyrinth created in Palestine during the Great War.

Against the general background of the Zionist movement from Herzl and Schindler to Weizmann, Mr. Farago describes the successful Jewish co-operative agricultural colonies and the growth of the Jewish city of Tel Aviv. As a contrast to the progressiveness and hard work of the Jews it is revealing to hear the Grand Mufti of Jerusalem use as an argument against Jewish immigration the accusation that the Jews are demoralizing Arab youth.

"The Jewish girls who run around in shorts are demoralizing our young men by their very presence," the Grand Mufti tells Mr. Farago.

The author spent much of his stay in Tel Aviv and his description of the town is one of the best ever done. Mr. Farago liked its people and admired its physical and moral cleanliness. In the Jewish National Theatre he saw performed in Hebrew, of all plays, "The Merchant of Venice." "But Jewish Tel Aviv wanted to know nothing of the gold-hungry usurer Shylock. In the presentation Shylock was a kindly old greybeard who paved the way for the love affair between Portia and Bassanio."

THE RENAISSANCE

"The Renaissance," by F. Funck-Brentano. Macmillan, 320 pages, \$2.50.

BY MARGARET LAWRENCE

THIS book reads like a collection of lectures. It is good, sound work for the student, and possibly for the lay reader who wants to polish his general information. But, alas, it has no glamor, and it ever there was a period which was glamorous it was the Italian and the French Renaissance. The work taken as a whole is too conscientious to be entertaining. It will get by on the strength of the material, for the great movement of the Renaissance pushes itself through the pages. You cannot avoid feeling it. What happened, I think, to the author was this. He wanted to make it very clear to us that we today are the result of two unloving movements, the Renaissance and the Protestant Revolt which he calls "The Reformation," and so impressed was he with this that he was pulled out and along all the time instead of dallying, as one must daily to enjoy the utter headiness of the Renaissance at its height under a magnificent person called Lorenzo in Florence and a delicately sinful person called Francis the first in France. Maybe what he says is quite true, and looking at the modern scene we may interpret it as the big headache of the day after, but who wants to think about that with such a lovely night to remember when the mind in one way or another way appreciated things just a little differently.

THIRTEEN TO DINNER

"Croesus," by Neil Bell. Toronto, Collins, \$2.50.

BY MARIE CHRISTIE

IT is unfair to expect an author to surpass or even equal his previous best with every new book he writes. Genius must be subject to certain fluctuations. Yet we all feel a little aggrieved when the blaze sinks to a modest glow.

The special characteristics of Mr. Neil Bell's writing makes his books particularly susceptible to comparison with one another. When his vigorous style becomes less than dynamic and his characters fail to throw off sparks, the reader, remembering past works, is inclined to feel cheated. "Croesus," which is not a story about a spring flower, but a quick doctor in

Many Cancers Are Curable

Medical experts state that many cancers can be cured if discovered and treated in time—but time is the all-important element.

Cancer in its early stages can often be destroyed by radium and X-rays, or removed by surgery. An increasing number of cases are being discovered early and the technique in successfully removing or destroying these cancers is steadily advancing. Full recoveries have been made in thousands of reported cases in which patients were on the alert and sought early, competent treatment.

Physicians warn against neglected conditions which are known to precede the onset of cancer—lumps, unusual discharges, wounds that will not heal, moles and warts that change in size and color, or other abnormal conditions. Continued irritation of any part of the body is often the beginning of trouble.

If your family doctor finds a suspicious condition he presumably will not pass judgment as to whether or not it is cancer until he can get complete scientific confirmation.

Many people who fear they have cancer are worrying without cause. A complete physical check-up which shows there is nothing wrong is a very comforting assurance. Thorough and competent periodic physical examinations may help doctors to discover cases of cancer while there is still time for successful treatment. Should suspicious symptoms appear at any time, see your doctor at once.

The Metropolitan will gladly send you its free leaflet on cancer, "A Message of Hope." Address Booklet Dept. 1-T-37.

Keep Healthy—Be Examined Regularly

METROPOLITAN LIFE Insurance Company

CANADIAN HEAD OFFICE—OTTAWA

FREDERICK H. ECKER
Chairman of the Board

LEROY A. LINCOLN
President



SERVING CANADA SINCE 1872

a travelling fair, is a fair novel but a poor Neil Bell. It has little of the pictorial quality of "Bredon & Sons"—probably Mr. Bell's best—and its hero just fails to convey that intense vitality which distinguishes the male lead in all his other books.

The author is so obviously interested in his own choice of theme and setting it seems surprising he shouldn't have brought it off. Professor Delfontaine... "I have here, my friends, a sovereign herb" ... is a half gypsy spell-binder who makes a fortune selling remedies of his own concoctions at country fairs. An insincere promise to a dying woman induces him to adopt a small boy. The child, also half Romany, grows up a kind of Cashed Byron, or very gentlemanly prize fighter, runner up for the Heavy-weight Championship of England.

The travelling fairs of England in the latter part of the nineteenth century are an entertaining setting for a story. Mr. Bell has considerable research into the Romany traditions and language, with which latter one feels, however, the reader is far too repeatedly worried, and Delfontaine and Jeth, and the lovely gypsy child Rem whom Delfontaine marries and Jeth loves should all have come to life. But strangely enough they never do. Even the carefully reported rounds of Jeth's great fight are singularly bloodless. Delfontaine dies on his own spiked fence, Jeth walks off into the darkness and Rem quietly fades out. All might never have been. I am afraid for this reader they never were. Perhaps Mr. Bell has been taking his sabbatical year or was oppressed by the fact that this is his thirteenth novel.

YOUTH IN CANADA

"Beauty Not Complete" by Mayzie F. Johnston. Toronto, Nelson, \$2.00.

BY A. L. JACOB

THIS definition, stretching from sea to sea, presents widely varying scenes for the writer to depict. The choice seems to fall usually on those sections which are clearly defined—the more conservative, slowly moving East, or the young, eager West. "Beauty Not Complete" gives us that

Canada which lies between the two. The author, in the first chapters, paints a landscape with such sure strokes that the geographical designation is not necessary. The reader hardly needs to be told it is Port Thunder, on the north shore of Lake Superior. The picture is so vivid it would give an exiled Canadian a pang of nostalgia and is the most outstanding feature of the book.

The crude, growing town provided plenty of opportunities for mischief to irrepressible little Janice Elmore, better known as "Mussie." Her pranks and the impulses leading up to them, ring so true as to give an autobiographical touch. The features moving around Mussie in her progress through childhood and girlhood are much more indistinct. We part company with her as she launches out into the sea of matrimony with the storm signals of the Great War giving out their warnings. Those who like quiet entertainment will enjoy this tale, as it is unexciting and pleasant.

FOR LITTLE WILLIE

"The Story of Albert the Camel's Son," by Hugh Heaton, illustrated by H. E. M. Sellen. Toronto, McClelland and Stewart, 50c.

BY LUCY VAN GOGH

ALBERT is the successor of Horace, who was given to the world last Christmas by the same talented creators in "Madam Ben and Little Horace." He is an engaging animal, whose inquisitive habits gave great annoyance to his family but ultimately saved both his own life and the King's treasure. Mr. Heaton is more Milne-ish than ever in his versification—which is high praise—and Mr. Sellen's animal anatomy is expressive to a degree. We like the book, and little Willie ought to.

BOWES BOOKSHOP

Ready-shelf, five on request

CATALOGUE NO. 102

THEOLOGICAL BOOKS

From the Libraries of the late Canon A. N. M. and of Prof. J. F. Bethune Baker.

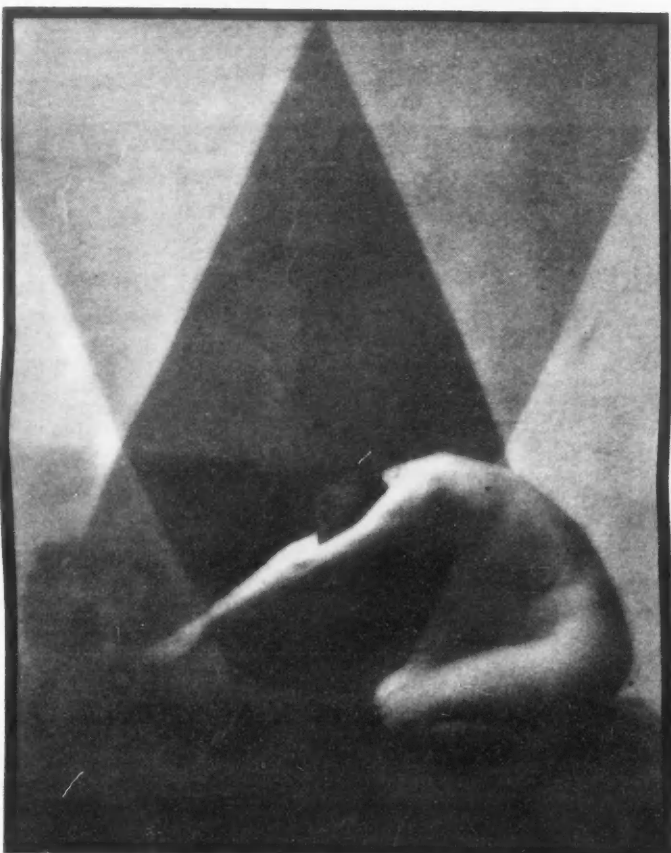
CAMBRIDGE - ENGLAND

THE WORSHIPPER

BY BLANCHETTE HOLT-MURISON

NEVER defenceless while you kneel in prayer,
Nestled in adoration, lowly—meek.
It matters not what gods you serve or seek,
The shining armour of your Beauty, bare,
Of all disguise, is lower and barrier.
Impregnable as furthest mountain peak,
It matters not what muted words you speak,
The flaming sword of Seraphim is there.

Ever on guard to span the threatened breach,
The foul assault, the strategy of sin,
That thrusts its spear and throws its javelin
And storms the sanctuary it cannot reach,
Where worship is One ever waits and He
Is throne in that He made eternally.



"THE WORSHIPPER," by H. G. Cox, New Westminster, B.C. This is one of the best known of Canadian Salon prints, having been hung in a dozen International Salons since it first adorned a Dutch gallery in 1928. The accompanying verses are by a well-known British Columbia poet.

SATURDAY NIGHT

PEOPLE

TRAVEL

FASHION

HOMES

LETTERS

TORONTO, CANADA, JANUARY 2, 1937

STOCKHOLM'S "BUILD-YOURSELF" HOUSING SCHEME

BY WILLSON WOODSIDE

YOU would travel far and wide indeed to find a more interesting housing scheme than Stockholm's *Småstyggebygge*. In these suburban garden cities the home-builders erect their own houses. Their labor makes the down payment! They have to lay out only \$80 cash in advance. And yet this is no relief scheme, nor are the home-builders subsidized in any way out of the taxpayers' money.

The *Småstyggebygge* were invented by Mr. Axel Dahlberg, far-sighted head of the City of Stockholm's Real Estate Department. Thirty years ago his department started to buy up land just beyond the city limits. During the War many "garden colonies" were set up out here, and thousands of Stockholmers were encouraged to spend their evenings and week-ends out of the city, to give the children fresh air, and grow all the family's vegetables into the bargain.

However, what with the shacks of all sizes and descriptions which were thrown up for week-ending and summer-holidaying, and with the lack of water and sanitary service, the "garden colonies" often tended to grow into "shanty towns." Ten years ago the whole thing was tackled from a new angle. It was decided to lay out the next area as a proper suburban garden city, with pleasant, curving streets, a village square, for shops, and parks and playgrounds. There would be sewers and electric light, gas, water and telephone, and even central heating. A planning department would devise four or five standard types of house, carefully planned and thought out in every detail. The walls would be made up in sections at the factory, and the construction of foundations, roofs, etc., made so simple that the average man could put his own house together.

NOT only did they figure that the factory or office worker—the class to which they were catering, as being most in need of good, cheap housing—would enjoy building his own home, and be all the better for it; but they figured that the amount of labor which he put into building it himself would come to about 10 per cent of the cost, and could represent the down payment. The remainder the city would finance, against payments over 30 years.

The scheme was quickly carried from paper into practice. It works something like this. During the winter lists are opened at the Cottage Scheme Bureau (which has

THE PICTURES

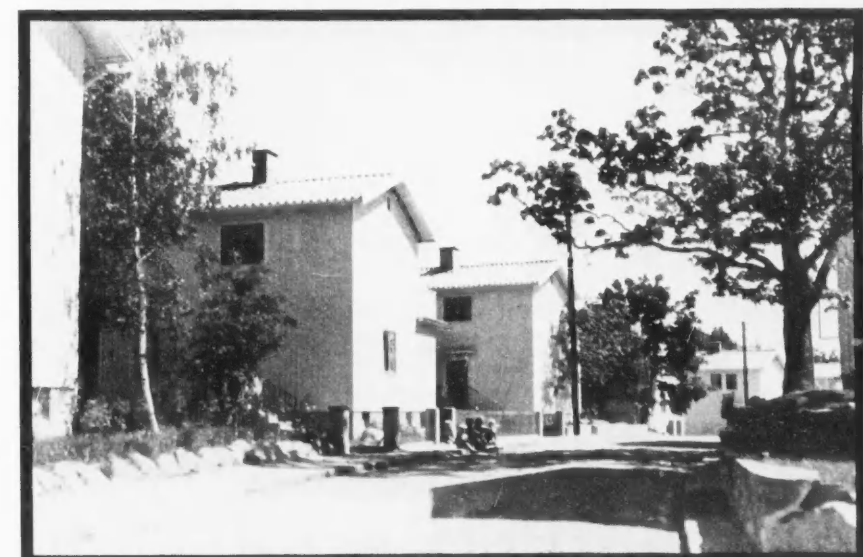
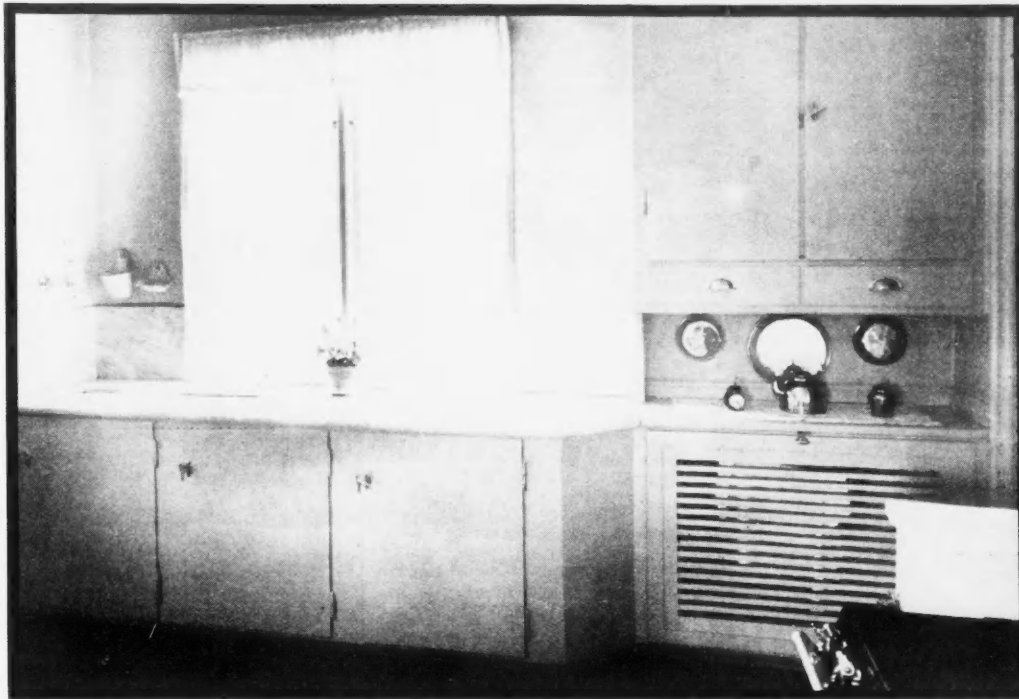
FIRST ROW LEFT, a kitchen in a co-operative apartment building. RIGHT, a section of the *Kungälvsklippan*. SECOND ROW LEFT, foundation excavation for a build-yourself-home. RIGHT, an apartment nursery. THIRD ROW LEFT, applying the final coat. MIDDLE, raising a prepared section of cottage wall. RIGHT, another view of part of the *Kungälvsklippan*. FOURTH ROW LEFT, some of the build-yourself-homes. RIGHT, air view of a garden colony.

—Photos by Willson Woodside and Foto Aero Material.

been moved out of the City Hall, and thus right out of politics) for 300 or 400 houses scheduled for the next season's program. Preference is given to indoor workers with families, earning between \$70 and \$110 a month. The applicants have to appear strong enough to carry the thing through, and be of a character to justify the city's risk. In practice so many apply that the city is able to take its pick.

The successful applicant and his wife choose their house-plan and are allotted a plot. They have the choice between two single-story cottages, and a one-and-a-half and a two-story house; these have living-room and kitchen, and from one to three bedrooms. The smallest costs just under \$2,500, the largest just over \$3,000. But their down payment, besides their labor, is only \$80. One reason for this is that the usual big initial outlay for real estate is saved them; instead they are leased the land (the lots are

(Continued on page 16)



—History of Canada, December 21-28

CANADIAN INCOMES UP 11 P.C.

DOMINION

Agriculture: Plant breeders of Dominion Experimental Farms and National Research Council announced hybridization of agropyron and various strains of ordinary wheat to produce a perennial wheat; hybrid is apparently not immediately economically important except as forage crop but experiments may lead to production of revolutionary fine quality grain. **Employment:** Federal authorities agreed with Alberta, British Columbia and Manitoba on supplementary public works programs on 50-50 cost basis to provide for single unemployed not already absorbed under existing works programs and farm placement plan. **Finance:** Hon. Charles Dunning, Minister of Finance, announced opening of negotiations in New York for refunding \$89,878,000 five per cent tax free war loan bonds dated March, 1917. **Fisheries:** Dominion Department of Fisheries announced appointment of Major J. A. Mothershead, of Vancouver, chief supervisor of fisheries for British Columbia, and Dr. W. A. Clemens, director of fisheries biological station at Nanaimo, to committee to study British Columbia's non-tidal game fishing; third member of committee to be appointed by British Columbia Provincial Game Board. **Forests:** Timber laboratory of forest service branch, Federal Department of Mines and Resources, announced successful operation of motor truck equipped with charcoal-sas generator at half cost for fuel of gasoline. **Indian Affairs:** Hon. T. A. Crerar announced new program designed to establish Canada's Indian population

1934. **Social Welfare:** Miss Isobel Harvey, of Vancouver, appointed provincial superintendent of neglected children.

MANITOBA

Liquor Control: Dispute over price differential placed on extra-provincial beers continued; brewers stated that enforcement of maximum profit splits regulation had been begun by Manitoba Liquor Control Board against Quebec beers, and that Ontario brewers were notified to furnish the board with analyses of beers they desired to sell in the Province.

ONTARIO

Game and Fish: A 200-foot dam, the first stage in construction of new fish hatchery, was completed across Balsam Creek, 15 miles from North Bay, by Department of Game and Fisheries. **Forests:** A preliminary investigation conducted by Hon. C. W. Cox, newly appointed Minister Without Portfolio, will precede a Royal Commission inquiry into Northern Ontario timber contracts, Premier Hepburn announced. The Premier also announced agreement with Pulpwood Supply Co., Ltd., whereby 6,000,000 cords pulpwood in Long Lac area will be thrown open to continuous cutting operations. **King's Counsel:** Attorney-General Robbuck announced appointment of 73 new King's Counsel.

P. E. I.

Jails: Two days after the occurrence, Premier Thane Campbell, acts

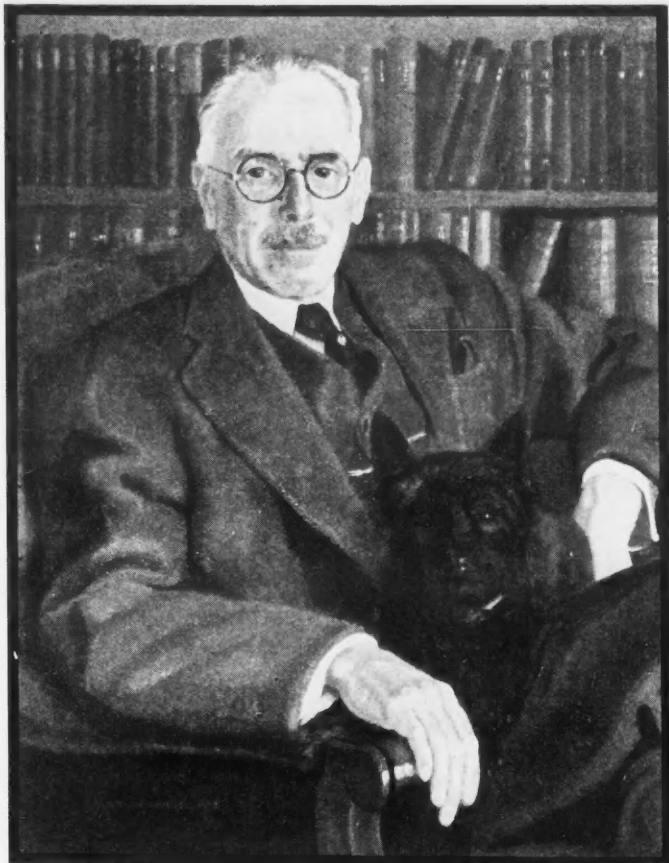
trustees Sir Frederick Banting, G. R. Cottrell and Justin M. Cork of Toronto. **Ontario Civil Service Association** elected president, J. O. Hambleton, director of provincial Tourist and Publicity Bureau. **Public Health Association of Canada** (Laboratory Section) elected: Chairman, Dr. A. J. Slack, Institute of Public Health, London, Ont.; vice-chairman, Professor E. G. D. Murray, McGill University; secretary, Dr. G. D. W. Cameron, Connaught Laboratories, University of Toronto.

LABOR

Dominion: President S. J. Hungerford announced that, effective with new year, Canadian National Railway main locomotive and car equipment shops at Moncton, N.B., Riviere du Loup and St. Malo, Que., Montreal, Stratford and London, Ont., Fort Rouge and Transcona, Man., Edmonton, Alta., and Port Mann, B.C., would go on 10 hour week schedule, an increase of approximately 20 per cent over working hours of 1936. **British Columbia:** Domestic servants in Vancouver received charter for their newly formed Domestic Workers Union, Local 91. **Ontario:** Five participants in strike at Windsor factory of Kelsey Wheel Co., charged with being members of an unlawful assembly and with intimidation, arraigned in police court and remanded a week. **Quebec:** J. B. Adolphe Martin, member of the National Independent Union of Longshoremen, asked in Superior Court for writ of mandamus to compel his union to hold regular meetings in accordance with its constitution; Mr.

OBITUARY

Bartram, Charles MacCargo, Vancouver, founder Bartram Paper Products Co. (65). **Beckett, Mrs. Sarah,** Toronto's oldest resident (101). **Bessant, Henri,** Ottawa, superintendent money order branch, Postoffice Department, and former M.P. for Kamouraska, Que. (56). **Housser, Frederick Broughton,** Toronto, financial editor Toronto Daily Star, associate editor Canadian Theosophist, former editor Bookseller and Stationer (47). **Fudger, Mrs. H. H.,** Toronto, widow of former president Robt. Simpson Co. Ltd. (83). **Hall, Thomas,** North Bay, former columnist of North Bay Nugget, former alderman of North Bay. **Herschmer, L. K. Sherwood,** (K.C.), Fernie, B.C., barrister, son of former commissioner Royal North West Mounted Police (51). **Jackson, Colin F.,** Vancouver, founder Colin F. Jackson & Co., Ltd., and Vancouver Engineering Works, vice-president Vancouver Board of Trade. **MacGillivray, John,** Smith's Falls, former general manager Inverness Railway and Coal Co., former assistant to general manager C.N.R. (72). **Massey, Lieut.-Col. Frederick,** Montreal, commander Canadian Bisley team in 1892, past president Dominion Commercial Travellers' Association (87). **McKay, Capt. John,** Owen Sound, noted Georgian Bay fisherman and Great Lakes sailor (98). **McMurchy, Dr. Archibald,** North Bay, first physician to practise in North Bay (85). **Meikle, Rev. William,** Moose Jaw, minister and missionary of Presbyterian and United Churches for more than 50 years (80). **Pedler, Herman Louis,** Montreal, president H. L. Pedler & Co. (71). **Reed, Major Hayter,** Montreal, former manager-in-chief C.P.R. hotels, former superintendent general Indian affairs for Canada, for-



"PROFESSOR OF ENGLISH." An oil portrait of Dr. George Herbert Clarke of Queen's University, by Elizabeth Harrison, wife of Prof. W. E. C. Harrison.

mer administrator North West Territories, (89). **Roy, Francois Xavier,** (K.C.), Montreal, chief clerk Circuit Court (63). **Stanton, John Clarke,** Montreal, former manager Montreal division Sun Life Assurance Co. (83). **Stewart, Duncan Alexander,**

Pilot Mound, Man., pioneer Manitoba school inspector, Liberal M.P. for Lisgar 1902-4 (86). **Wickson, Alexander Frank,** Toronto, architect, past president Royal Architectural Institute of Canada, past president Ontario Association of Architects (75).

JANE AUSTEN'S HARD STRUGGLE

GENIUS, neglected, eventually comes into its own. History often has proved the truth of this fact, and no more strikingly than in the case of Jane Austen, author of "Pride and Prejudice," a dramatization of which by Helen Jerome, Max Gordon will present at the Royal Alexandra Theatre, for three days beginning Monday evening, January 4.

Now accepted as being among the world's great novelists, one of the most gifted and witty of all story tellers, sixteen years elapsed after the completion of "Pride and Prejudice" in 1797 before she found a publisher for it in 1813. A novel whose sales have amounted to over a million copies turned down by every leading book house in London.

Disraeli, according to the Encyclopedia Britannica, read "Pride and Prejudice" seventeen times; and Sir Walter Scott "at least three times". In the words of his diary, which goes on to say: "that young lady (Jane Austen) has a talent for describing the involvements and feelings and characters of ordinary life which is the most wonderful I ever met with." All of the great writers of the early 19th Century admired Jane Austen tremendously. Coleridge, Byron, Tennyson among others, as their own words attest, but her most extravagant worshiper was Lord Macaulay, who wrote in his essay on Madame D'Arbly: "Shakespeare has neither equal nor second. But among the writers who, in the point we have noticed, have approached nearest to the manner of the great master, we have no hesitation in placing Jane Austen."

The wonder about Jane Austen is that she could have had such knowledge of human nature and of the world as to make her achievement possible when her own life was placid and retired. Like Charlotte Bronte, she lived in the hidden ways, and, like her, performed miracles in fiction.

Jane Austen was born December 16, 1775, at the parsonage of Steventon in Hampshire, a village of which her father, Rev. George Austen, was rector. She was the youngest of seven children. No life could have been more uneventful. She never left home except for occasional visits to

London or Bath. She never married, and, save for a vague report of a love affair with a gentleman who died suddenly, there is no hint of romance in her life—the romance of which she wrote with such delicacy and understanding in "Pride and Prejudice".

That epoch-making novel which, in Elizabeth Bennet, presented the first independent "modern" woman in fiction, was written when Jane Austen was in her 22nd year. This was followed immediately by two other stories, "Sense and Sensibility" and "Northanger Abbey", but inability to find a publisher for any of

great stimulus to Jane Austen's dormant creative faculty. "Sense and Sensibility" was hardly off the press when she was writing again at white heat, completing three novels between that time and her death in 1817, "Mansfield Park", "Emma" and "Persuasion". The first two were published before the author's death, but "Persuasion" and the recovered "Northanger Abbey" were issued posthumously.

There has been much discussion as to which novel was her masterpiece. Macaulay chose "Mansfield Park", Coleridge "Emma", and Disraeli and Sir Walter Scott "Pride and Prejudice".

There has never been any question about relative popularity. In that respect "Pride and Prejudice" leads two to one. In fact today Jane Austen's name is synonymous with "Pride and Prejudice". Many persons do not know that she wrote anything else.

EXCEPTION

BY MONA GOULD

UNDER the hanging mistletoe The gallants linger, loath to go. And many a handsome head is bent In tender osculation spent. I contemplate this holiday sight With something bordering on delight. And even try my luck at this Quite legal version of the kiss. But when on idle reconnaissance My better half is seen to loiter Beneath the tempting berries' shadow I go all cold, and get so mad;—O Why is life so full of thistles And pretty ladies under Mistle?

them dampened her creative ardor, and she forsook the pen and devoted herself to the needle for years.

In 1803, indeed, she did succeed in selling the manuscript of "Northanger Abbey" to a Bath publisher for 10 pounds sterling, only to see it shelved, to be gladly resold to her long afterward.

Not until 1811 did Miss Austen find a publishing house willing to take a chance on her work, and this one chose "Sense and Sensibility" over "Pride and Prejudice", a choice which he lived to rue when a rival firm accepted the latter in 1813 and quickly discovered that he had on his hands what in this day would be called a best-seller.

Seeing her work in print was a

AN AGE OF NEGATIVES

To the Editor of SATURDAY NIGHT:

"AN AGE of Negatives." Yes; in other words an age without doctrine and principle. Again an age of colossal personal beliefs. When a man says, "I personally believe and think this," he is impossible and negative. When he says, "It seems to me that the principle involved is this," then he becomes positive and even very interesting.

It is alarmingly true that a man who does not live up to Christian principles in his youth is sure to spend his maturer years trying to believe what he lives no matter how wrong that life may be. The dead level of life, generally speaking, is reached between the years of forty-five and sixty-five. The generosity of youth is gone and the perfidity of men looms large. It is then that one needs the firm sheet anchor of faith.

If we have not lived up to what we believe we soon believe what we live. There may be some misgivings at times but these are seldom strong enough to arrest the stride. It is then that men become gods, very impatient false gods, of course. Herein lies the trouble of today.

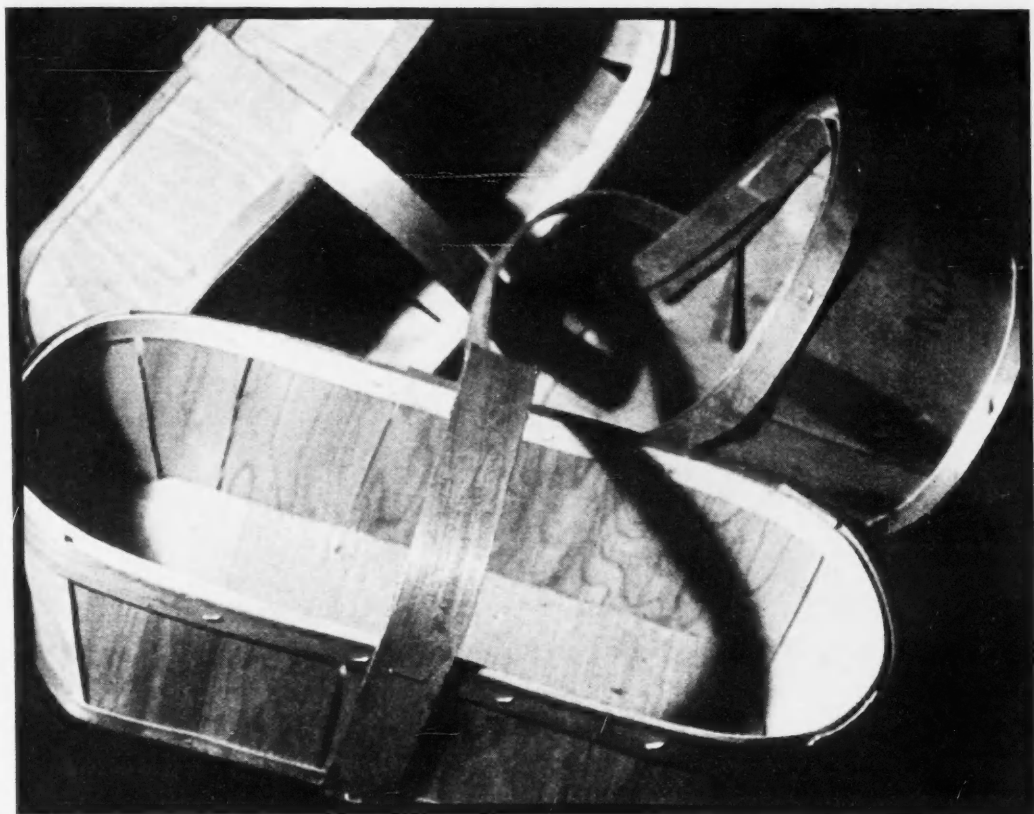
These false gods are numerous and infest every stratum of life from the peasant's to the throne's. This is why the power of a dictator to do harm is only limited by his desire to do so.

JAMES J. GURRY,

St. Mary's Rectory, Port Hope, Ont.

EDUCATIONAL EXPERIMENT

A NEW educational experiment which was started a few weeks ago in London, England, should be of considerable interest to Canadians. It is the London House of Citizenship, which aims at awakening girls from the age of eighteen upwards to the problems of the present-day world and equipping them to help in their solution. Special attention is paid to girls coming from other parts of the Empire, and also to English girls who contemplate going to live in the Dominions. The instructional work includes lectures on international affairs, the operations of government and politics, social economics, and public speaking. Students are given an opportunity of seeing aspects of English life which are not usually included in educational programs, such as parliamentary debates, County Council meetings, housing estates and welfare centres. There are both resident and non-resident students, and it is hoped that the House will serve a useful purpose in promoting mutual understanding between women from many different parts of the Empire. One of the principals, Miss Margaret C. Godley, was in Canada last year as a visitor to the Headquarters Conference.



"THREE." Honorable Mention Photograph, by William Harland, 34 Lillian Street, Toronto. Graflex camera, one sec. at F16, two photofoods, commercial ortho cut film.

"permanently on a higher economic plane," plan involves encouragement of Indians in northern Canada to take larger share in the fur trade. Dominion government has refused to permit the Indians of Manitoba to take it for themselves but will supply the necessary funds to the Indians to enable them to do so. **Marine Department of Trade and Commerce** announced award of contract for subsidized steamer service between British Columbia and South Africa via North Pacific Shipping Co. of Vancouver. **Contractors** involved about monthly trips during 1937 with 87,000 pounds per trip. **Old Age Pensions:** Labor Gazette published total of old age pensions in Canada as \$20,452. **Post Office:** Postmaster-General report announced increase of \$1,708,000 in gross revenue of post office department in year ending November 30. **Railways:** General Manager Gladstone Murray of Canadian Transportation Commission announced establishment of regional program areas for Maritime, Quebec, Ontario, Prairie Provinces and British Columbia. **Board of Governors of U.C.T.** decided upon plan of increasing revenue over period of three to five years, a plan was ordered on anonymous religious debates from CBC stations. **Statistics:** Canadian Press based estimate on partial returns of Bureau of Statistics that aggregate increase in Canadian incomes during past year was \$452,000,000 or 11 per cent.

ALBERTA

Cabinet: Rumors that Hon. C. C. Ross, Minister of Mines, had resigned from Alberta Government, circulated in Edmonton during most of the week, while Mr. Ross and Premier Aberhart refused to confirm or deny the reports. **Script:** At end of December redemption period, only \$27,845 in script was in circulation, \$28,000 was redeemed during the three day period.

BRITISH COLUMBIA

Employment: Provincial Department of Mines and Labor operated in plan to place unemployed coal miners in jobs in metalliferous mines. **Forests:** Total export shipments of British Columbia lumber for year estimated at 1,200,000,000 feet, an increase of 50 per cent over previous 12 month record set in

ing in its capacity as Attorney-General, confirmed reports that a plot occurred in Prince County last Christmas night. The Premier described the entire system of locks in the jail as "inadequate."

QUEBEC

Municipal Affairs: Following a week of legal manoeuvring, supporters of ex-Mayor Camille Houde were granted a request for a judicial review of ballots in Montreal mayoral election. It was estimated that the recount proceedings would require 40 days to handle the 127,000 ballots through which J. Adhemar Barthelet was presumed to have been elected.

EDUCATION

Montreal: Premier Duplessis announced a Quebec provincial grant of \$50,000 to the University of Montreal to pay backsalaries of professors and other members of the University staff. **Rhodes Scholars:** Nova Scotia, Henry D. Hicks, Bridgetown, graduate of Mount Allison University, now a student at Dalhousie, New Brunswick. **Donald C. Duffie,** Drummondville, graduate of St. Joseph's University, at present studying law, Saskatchewan, Ian Grant Wain, Yorkton, graduate of University of Saskatchewan, Alberta, John Charles Garret, Strathmore, student at University of Alberta.

ARTS AND SCIENCES

Geology: Award of 1936 Penrose Medal of Geological Society of America made to Dr. Arthur Philipson Coleman, professor emeritus of University of Toronto, "in recognition of eminent research in pure geology and of outstanding original contributions on achievements which mark a decided advance in the science of geology. **History:** Committee formed to erect monument in Queen's Park, Toronto, to William Lyon Mackenzie, Walter S. Allward, sculptor of the Vimy Memorial, commissioned to design it.

PERSONAL

Canadian Bankers' Association appointed Vernon Knowles, formerly managing director Toronto Mail and Empire and recently managing editor Toronto Daily Star, as public relations adviser. **National Sanitarian Association** appointed to board of

Justice Surveyer issued the writ. Textile workers at St. Gregoire, Que., recently given wage increases, went on strike because of dissatisfaction with amount of increase.

UTTERANCES

Hon. Onesime Gagnon, Quebec minister of mines, game and fisheries, tells his compatriots not to blame the English and the Jews if they do not occupy the economic position in the province to which they feel themselves entitled. "It is nobody's fault but our own. If we French-Canadians made up our minds to keep out of the rocking chair as much as possible and determined to succeed, there is nothing to hold us back from attaining our rightful niche."



FORT ANNE. Honorable Mention Photograph, by Harold T. Stultz, Annapolis Royal, N.S. The recently renovated officers' quarters of the old fort at Annapolis Royal are shown. Graflex Series B, 1 5 sec. at F32, at 7.30 a.m., in July, Agfa Superpan film.

WHEN RED CAN BE YELLOW

BY EDWARD BUCKMAN

WHEN propaganda that is definitely red is mixed with stage tricks that can best be described as yellow the result is the Radical Drama, alias "The Theatre Of The Left" or "The Workers' Theatre." Canadians have seen a prime example in "Waiting For Lefty," which clamored in last year's Little Theatre Tournament. They will see another in the Theatre of Action's presentation of "Roar China."

I speak of the Radical Drama as an ex-trooper of its old guard. Some ten years ago I worked in New York with a group known as "The New Playwrights' Theatre." The new playwrights themselves consisted of John Dos Passos, John Howard Lawson, Michael Gold and other leftist literati. None other than a capitalist, Mr. Otto Kahn, was supposed to be financing this workers' venture. Whether he was or not, I do not know for certain; but I do know that, in person, pink rosebud in buttonhole, he inspected us one afternoon when things were at their very worst of constructivist scenery erection—a real capitalist on the bare boards of a workers' stage! The directors, radical writers though they were, most deferentially piloted this man (the living symbol of all they

which Radical Drama can be made palatable and highly effective theatrical fare.

No leftist playwright is very inventive when it comes to plot formula. He prefers the old and melodramatic. "The Villain Still Pursued Her." The "Hero" used to be the Heroine. She is now the Proletariat. That "virtue" which formerly was the cause of our Heroine's Troubles has now been changed into those sterling qualities (vague, but oh so pure and fine!) which the Proletariat alone possesses. The Villain, of course, has been turned into the Capitalistic Régime and may appear either singly as a bloated plutocrat or collectively as his minions, the police, the army or the navy. In the old melodramas the Villain used only to want the Heroine's "virtue" and spent his entire time trying to prostitute it to his own evil, selfish ends. Now, in the Radical Drama, the Capitalistic villain cold means that he is devoted to his entire energy in an attempt to prostitute those sterling qualities of the Working Class (Cheer! Cheer!) to his own base and selfish ends. It doesn't matter in the least whether he is given logical reason for his behavior; in just the same swift

the arms of its seats when our proletarian poet snarls at the pompous policeman, "You're a dirty heel! I'd like to push your puss in!" than it is when the professor's wife, with amorous intent, asks her husband's poetic protegee, "Would you mind very much if I asked you just one more question before I give you another cup of tea?" Both remarks may preface equally dramatic developments—and certainly the question asked by the professor's wife is the more probable of the two—but again reason has nothing to do with the reaction of these lines on their audience. The poet's retort is given a romantic glamor because it is a daring thing for a downtrodden little fellow to say. Whether the retort is justified or not—that is something that is entirely lost in the suspense of the theatrical moment.

WHEN analyzed by an old guard like myself, the climaxes in most radical plays ("Waiting For Lefty," "Roar China," "Stevedore") appear to be based on an old stock formula: Make enough noise and movement on the stage and you'll have the audience applauding. The trick most commonly employed by the Radical Drama is one that has been used by stock companies the world over to "punch" the finale of any musical show they may attempt. The procedure is to have the entire cast line up across the stage, raise their arms above their heads, stamp their feet, flutter their fingers, and sing as loud as they can. No matter

whether the singing line-up happened to be off-key or not, they always managed to "get" the audience. In the Radical Drama, of course, the cast happen to be shaking fists rather than fluttering fingers, and instead of warbling some banal lyric they are shouting, "Strike! Strike! Strike!" but the reaction on the audience is the same. Where formerly it left the stock performance thinking it had seen a fast moving musical comedy, now it leaves the Radical Drama with the feeling that the Proletariat can't be held down and won't be conquered—a shout of rather dubious defiance has, by a trick of the theatre, been made to sound like a Paean of Victory!

THE most insidious thing about the Radical Drama is that it is such effective theatre. It sounds grand and deep on the stage when actors' tricks give it life. On the printed page it may look and usually does—pretty puerile. But the Radical Drama was not meant to be read. It was written to be acted so swiftly that there won't be a chance for the audience to reason it out.

Anyone going to such a play as "Roar China" should always remember that "tricks of the theatre" are going on about him. He should also bear in mind that "good" theatre seldom reflects reality and, further, that "good" theatre has been known to make "good" propaganda. Above all, he must be very careful that he is not color blind and that he can distinguish both red and yellow.



"ROMEO AND JULIET." Gwladys Rutherford as the Nurse in the recent successful production of the play by the Winnipeg Players Guild. —Photo by Nicholas Morant.

A LIBRARIAN LEAVES

BY JAMES ROWEL

WHEN the Canadian Parliament Buildings were burning on that bitterly cold night in February 1916, a member of the staff of the Parliamentary Library slammed and bolted the big iron doors which separated the Library from the remainder of the building and thus materially helped to prevent the destruction of that section—the only part of the buildings that was saved. On September 30, 1936, the man who closed those doors retired after over fifty-one years' service in that storage-battery of Parliamentary knowledge. He is M. Connolly MacCormac, M.B.E., whose title has been Assistant Librarian. It is a good title, for so far in Canada's history no other man has assisted so many parliamentarians in getting a wider view than they had previously possessed of the great field of literature relating to all phases of civil government.

The Library of Parliament at Ottawa is housed in an octagonal, Gothic pyramid on the riverward side of the main structure and connected to it by the end of the broad corridor known as the Hall of Fame. The pyramid roof is supported by flying buttresses which, viewed from the opposite side of the Ottawa River, appear like lacework but, looked at close at hand, are seen to be constructed of stone blocks three or more feet in thickness.

THE whole interior is one immense, circular room. It is 104 feet from the floor to the top of the lantern from which the light floods down upon the carved fittings and the contents of what, to many, is the handsomest and most fascinating room in Canada. Around the circumference are ranged eight alcoves, each filled on three sides with books from floor to ceiling, the fourth side being open to the large central space and to the light from above. Each alcove is three storeys high. The floors of the upper storeys are of glass to add the lighting of the storeys below. Between the back wall of the alcoves and the outer wall of the building (that is where the pyramid broadens out to the ground), and going through and around the buttresses, is a whole series of passages and tunnels and stairways up and down, like some huge rabbit warren, and all of these passages are crowded with books. Beneath one's feet in the basement are stored many thousand books, including bound copies of the principal newspapers of Canada, some of them from long before Confederation. In the centre of the Library stands a statue of Queen Victoria as a young woman. Around the statue is a circular desk where books are registered and outside the desk, scattered over the main space and placed in the alcoves are many tables where members are always to be seen at work during sessions.

IN THIS room Mr. MacCormac has spent over half a century. To him the members came to learn what Gladstone said on a certain occasion, what devastating phrase Disraeli used in a famous debate, where to find the text of that story that Sir John Macdonald used to tell with such effect, what is on record as to the possibility of having a non-partisan committee pass upon the estimates before their presentation to Parliament. Into this alcove MacCormac would go and into that tunnel he would dive and come back victorious with the desired tome.

Everybody knows that libraries tend to become overcrowded. It was so at Westminster, it was so at Washington until the new library was built, and it is so at Ottawa. Books are piled on tables, on the floor, stowed in cupboards, and stacked two-deep and three-deep on the shelves. How librarians keep track of them is a marvel. MacCormac seems to know the location of every book of the more than 450,000 volumes, whether in cellar or attic, alcove or tunnel or stairway.

One day the writer, knowing that it is impossible to "massacre" in broad daylight a heavily armed force which is pursuing you—was nettled by a careless reference to General Custer's last fight as the "Custer Massacre." He went to MacCormac and asked for a popular bibliography of the hero. MacCormac put on his

thinking cap for a few minutes and, without consulting any catalogue, called an attendant over to his desk and pointing to one of the alcoves said: "Look up to the top gallery of this alcove. You see the third shelf from the bottom, the one filled with big red volumes, all bound alike. Go up and pull out one or two of those big books about two feet from the left-hand end of the shelf. Look in behind and you will see a small, green book, the biography of General Custer. Please bring that down." The attendant went up to the third gallery, removed the outer books, and found the little, green book among a full shelf of neighbors concealed by the big red volumes. It is certain MacCormac had no intimation that the book would be wanted. It was simply the working of a memory which performed like feats every day.

This is one aspect of the life of the retiring Assistant Librarian, but there are many others. As a

FATHER DIVINE IN CANADA

BY A. J. ELLIOTT

JUST what there is about the cult of Father Divine (God) that appeals to Canadians would be difficult to explain, but there are more Kingdoms, Peace Missions, Extensions and Connections established here than anywhere else outside New York and California. There is even one in Toronto, although anybody would think that the idea of opening one in Toronto the Good Smacks a bit of carrying coals to Newcastle.

Where Father Divine came from nobody knows. But, as nobody can say with any degree of certainty where Odin or Thor or Vishnu or Manitou or a lot of other gods originated, the obscurity that veils his more distant past does not invalidate his claim to divinity.

IT IS known that, in 1899 as George Baker, he was living in Baltimore, supporting himself by the sweat of his brow. It is his subsequent progress toward Omnipotence that is

interesting. By 1907 he was known as The Messenger, or "God in the Sonship Degree" to distinguish him from his teacher, Father Jehovah, otherwise Samuel Morris, who was known as "God in the Fatherhood Degree." It was about this time that he and his partner took into the company a stormy evangelical petrel named the Rev. St. John Divine Bishop, making a trinity which carried on for some three or four years. But the Rev. St. John Divine Bishop expanded the tenets of their faith to include everybody, claiming that "God is love, and he that dwelleth in love dwelleth in God and God in him." The business wouldn't stand this watering of the stock, and the partnership dissolved.

Little is known of the Messenger's climb upward since 1912 save that in 1914 he was tried for lunacy in Valdosta, Georgia. The jury found him to be of unsound mind but not crazy enough to be institutionalized at the State's expense. He finally

arrived in New York in 1915 accompanied by seven or eight devoted followers for whom he found jobs as cooks, waiters, laundresses and chambermaids, and who in return, dutifully turned over their wages to him. They all lived happily together in a four-roomed apartment in Brooklyn, well fed, well clothed, and with their leisure time pursuits carefully supervised. For by this time, the Faithful realized that the Messenger WAS God. To them, the miracle of the loaves and the fishes was a bagatelle compared with the way the Father turned their meagre earnings into unaccustomed luxuries.

IN THE Fall of 1919, Baker, now Major Divine, bought a house in a white district in Sayville. The house had been owned by a German-American who, disgruntled at the treatment he had received from his neighbors during the war years, welcomed this opportunity to score them off. The colony moved there and gradually grew. Major J. Divine became in rapid succession, Rev. J. Divine, and then Father Divine (God). Apparently his ambitions are now satisfied, for he has never sought to climb higher. He found work for his flock of Angels, who continued to turn over all their earnings to him, thereby "relaxing all recollection of material transactions."

For the next six or seven years the cult grew slowly and quietly, and began to boom only with the advent of the Depression. Today there are branches in Australia, the British West Indies, Switzerland and Canada as well as throughout the United States. It has never taken a firm hold, however, below the Mason and Dixon Line. There must be something about the atmosphere of the Deep South that is not congenial.

RELIGIOUS communities patterned after almost what the same lines are not unusual, save that in other cases the leaders have rarely claimed divinity. But every one of them has had its own intriguing little flavor of originality. The Oneness Community was quite as amazing to the general public at the time of its inception, but now that they are all millionaires gossip and speculation no longer annoy them with unwelcome attention. The Mormons, the Doukhobors, the Shakers and many others have offered interesting, esoteric rites to their members. They are for the most part, old and wealthy enough nowadays to be respectable.

Father Divine's religion is new. That is the worst that can be said about it. It is not immoral. He inveighs against drink and the lusts of the flesh. He spends money lavishly and is doing some splendid welfare work with it, albeit in a rather erratic fashion. He is staunchly on the side of the angels in every community where he has established a Heaven. And he has cleaned up Harlem and made Harlem like it. The main objection that Philistines have to him is his claim that he is God. But so far, nobody has been able to refute his claim.

HIS Righteous Government Forum in New York (New Jerusalem) is certainly a laudable project, and a lusty one, too, if one may judge from the way politicians defer to him. His sermons or "messages" are slightly more involved than the better examples of Gertrude Stein's prose, but they are adorned and embroidered and shot through with a magnificent pattern of unintelligible words that should make that artist green with envy. His followers rejoice in such names as Peace Dove, Purify Angel and Understanding Wisdom, but should they sound strange to ears that have heard of Praxeod Barones, Mantis Van Sweringon or Wilhelmina Stitch?

The Peace Mission lately opened in Toronto looks clean and attractive. It is established in a district where its spacious rooms and atmosphere of hearty hospitality should prove a godsend to its neighbors, who are packed like sardines into cheerless rooming-houses, sweltering in the summer, frothing in the winter.

"As I passed by here one day," said the lady in charge, "God seemed to say to me, 'That is the house we need.' So I took it."

I wouldn't argue with her.



"ROMEO AND JULIET." Margot Syme as Juliet and Sam B. Sheps as Romeo in the recent production by the Winnipeg Players' Guild which was attended by Lord Tweedsmuir. The play was directed by Lady Tupper and Robert Jarman. —Photo by Nicholas Morant.

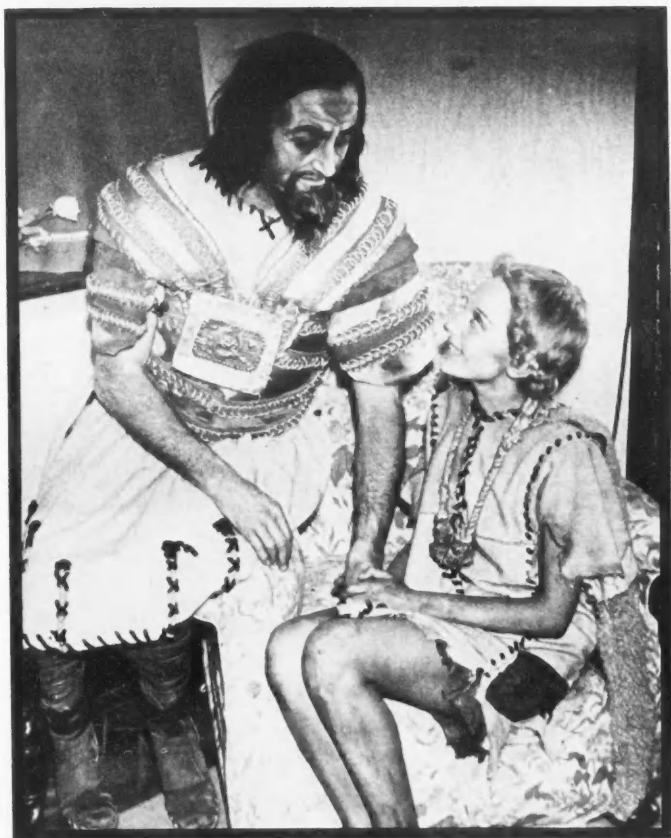
supposedly despised) through the backstage confusion, taking care that he emerged from the tour without one petal of his rose disturbed. The incongruity of all this wasn't apparent at the time. The unreality of the theatre itself made it appear quite natural. The directors moved Mr. Kahn through that backstage maze so swiftly that we hadn't time to think how out of place he really was. Speed and action made it all seem logical. Reasoned over afterwards, it all fell into its madly illogical reality.

AND though this happened to be real life and not a play, its incongruity is a direct reflection of what we find in the Radical Drama itself. The Radical Drama asks that we check our reason with our coat when we enter its halls. No one knows this better than I, for while I didn't get much worldly wealth from my association with The New Playwrights—salaries, despite Equity contracts, were near "Sweat Shop" rates I did learn a very great deal about the tricks with

manner that Mr. Kahn was steered through that backstage the playwrights of Radical Drama keep its pace so swift that the audience doesn't get a chance to think.

Who, you will be wondering, is the Hero of the Radical Drama? The answer is self-evident. Who alone could save our Workingman-Heroine except COMMUNISM? What also offers a Panacea for the Ills of The World except this "Brotherhood of Man," where, under careful supervision, all men are kept equal?

THE most theatrically effective portions of the dialogue in Radical Drama generally follow an old and tried formula: the retort discourteous that demands retaliation. The retort usually is forced from a member of the Proletariat by some direct machination of autocratic high-handed Capitalism. The idea is: Tell the truth and start a fight. It stands to reason that, though both speeches may imply dramatic revelation to come, an audience is much more likely to grip



THE NEW BARRIE PLAY. Photographed on the opening night of "The Boy David" at His Majesty's Theatre in London are Godfrey Tearle, who plays Saul and the noted actress Elisabeth Bergner, who plays David.



GEORGE DE WARFAZ, eminent European actor in both French and English, who will serve as Regional Adjudicator in Dominion Drama Festival for 1937.

EDUCATION OR INSTRUCTION

BY C. F. LLOYD

IT SEEMS curious that so few of the people who write about education have any clear grasp of the meaning of the word or the thing it stands for. The tendency is to confuse education with instruction, a very different thing; to mistake an instrument of education for the thing itself. As all of us who received some grounding in Latin know, education means to draw out, not to put in. The young person to be educated is far more like a full cask to be tapped than an empty one to be filled. The true purpose of education is to help the pupil to discover and apply his own latent powers, physical and intellectual, thus fitting him for citizenship; a very different matter from the present system which tends to make of even the university graduate a walking encyclopedia, of information, or misinformation, for a year or two after leaving college, then a blank, or if you prefer the metaphor, an empty cask for the rest of his life. Instruction in grammar, history, geography, reading, writing, arithmetic, civics, and a score of other subjects more or less germane to the business of living is a necessary part of the educative process, but it is not by any means the whole or even the most important part. The most important single factor in education is to lead the pupil to see through a knowledge of his own powers as to create in him that self-reliance, that willingness to face every sort of situation with which life may confront him, which can alone make him a fully developed, mature individual, in other words a man fit for citizenship, or it may be a woman, since women are now the rivals of men in nearly every walk of life.

AT PRESENT we have a horde of people, many of them bearing degrees conferred by various colleges, and vested with the full rights of citizenship, who are in no proper sense citizens since they have no clear notion what the word citizen means or what being a citizen involves. The ordinary view of the duties of citizenship is that it consists in keeping within the law, whether one approves of it or not, paying taxes when one cannot get out of it, making as much money as one can, regardless of the reaction of one's neighbors, voting at intervals by someone nobody really wants to see in office, and trusting to luck that the vague entity we call the state will not do us to piece in our time. That, without exaggeration, is a fair presentation of the average man's view of the duties of citizenship, and I need not say it is not nearly so sound as it ought to be. Now some states consist simply of the whole body of their citizens, no state setting on so much as the foundation as the one I have just outlined, but in states where the citizens are not citizens who are not citizens in any proper sense can look forward to ruin.

TO ME AT ANY rate it has been seen clear that the modern world, to Europe and America, is riding for a week-long fall, which will inevitably come unless we very soon revise our present notions concerning, not the thing, but the duties of citizenship, and to this end we must do some drastic educational housecleaning.

Modern education, so-called, has hitherto been conducted on the assumption, a false one, that luck is as good as his master, and that the opinion of every Tom, Dick, and Harry may be quite valuable in thinking of all as as good as every subject as that of the man of woman who starts with an intellectual equipment of a high order, has given years to the study of a particular group of problems. I do not overlooking two facts, first that reports are sometimes wrong with regard to a matter that they should know a great deal about, second that outside his own specialty and, incidentally, the expert's opinion may be better than anybody else's. But this does not alter the

fact that when speaking about things within his own province the expert should be listened to with respect, an intelligent, mildly critical respect, willing to accept the fact of the expert's general competence but not to the extent of receiving his conclusions as final or in no way subject to revision.

NOW at this point we return to our main thesis. Education or instruction, which do we want? The radical weakness of our present educational system is that it instructs but does not, save in rare cases, educate. It pours in, often an inferior liquor, it in no sense draws out. It fits people to know certain things for a time, till they forget them; it does not enable them to find themselves, to discover what they can do, and what is far more important, what they cannot do. The result is unemployment, misery, exasperated employers and patrons who feel they are being cheated, and grave social disruption all along the line. This state of things cannot be allowed to continue without running serious risk of undermining the very foundations on which our civilization rests.

To begin with, there are several subjects which save in the public school ought to be removed from the compulsory to the optional list, as in many cases they do more harm than good. The worst offender in this class is perhaps mathematics. It is not sufficiently recognized by educational authorities that there are scores of people, by no means tools, out of whose heads the mathematical faculty has been left almost entirely, so that they are quite incapable of proceeding in this subject beyond elementary arithmetic and learn even that with much sweating of blood. To load such students as lacking in intelligence and for them from college and the upper grades of the high school because of their inability to understand algebra and analytical geometry is simply silly. Those who have a natural faculty for mathematics ought to be segregated as soon as they enter the high school and drilled in their favorite subject apart from those less gifted in this one direction, the sum total of whose gifts may far exceed that of the mathematical people. This course would be productive of three good results, the benefit of which would be immediately apparent, to wit, first, the pupils with little or no mathematical faculty would be relieved from useless drudgery and given more time to devote to some other branch of learning; second, teachers would be saved a deal of exasperation and waste effort; third, the students with a flair for mathematics would soon be known and could be directed towards those callings for which a knowledge of this science is indispensable, e.g., the various branches of engineering, accounting, and architectural work and certain departments of science.

Languages are another subject that ought to be made optional. To be able to read in a classic or a modern language, other than one's own, is an accomplishment of so great value to the individual, from the point of view of pleasure alone, as to be worth some effort to acquire, but how many of those who devote several years to the study of languages reach this point? Perhaps one in a hundred. To be all one's life at the mercy of translators, most of whom take outrageous liberties with the author's text, is to undertake to translate is to suffer severe intellectual privation. One cannot really appreciate the richness and beauty of one's mother tongue without some knowledge of several foreign languages. Besides one ought to read Homer, Virgil, Dante, Milton, to mention only four great writers, in the original. However, since this is a discussion of the best educational practice, not of ideals, there is no sense in overlooking the fact that the linguistic

like the mathematical, is a special faculty which many people, otherwise intelligent enough, do not possess. There is really no sense in keeping a student grinding away at Latin, French and German when any competent teacher of these languages can see that he or she will never, with the utmost pains, do any good with them; better put in the time on something else. Our curriculum is still far too rigidly standardized, not nearly flexible enough, and scores of young people are being plunged in a slough of disgust through being forced to put in time on what they can never learn, while teachers are being worn to rags and brought to take a harsh view of certain of their students through being compelled to attempt the hopeless task of teaching idiots.

APART from reading, writing a legible hand (almost a lost art), and



MISS BETTY DUNN, daughter of Mr. and Mrs. L. C. Dunn, who is one of the debutantes of the Quebec season. —Study by Roy.

THE DISTAFF SIDE

BY MARIE CLAIRE

THE basis for our optimism may reasonably be questioned, the fact remains we part with the Old Year unprofitably and welcome the New. "So was it when I was a child, so shall it be when I am old or let me die," with Mr. Wordsworth.

One of our very earliest memories is of being carried downstairs in our sleepers one New Year's night by a father who said reasonably, "She can scarcely count on seeing the dawn of another Century, this is an Odeurion," or words to that effect.

We can't recall that the other guests were solemn or thrifty about the occasion either. Only a memory of considerable good cheer is wrapped round the whole episode in our mind. They apparently looked forward to 1901 quite optimistically too. We were allowed a sip of somebody's wine as the bells chimed, thought it unremarkable, and went back to bed in much the same spirit of expectancy that will no doubt accompany us this year. After all, none of us know what's just round the corner, do we? Which optimist and pessimist both agree is a Good Thing.

Here are some of the honeys we saw today, under a spotlight that made us long for Suntan powder, and tremble for the back of our neck, it seemed so very like a tropical sun. The merchandise display boys get cleverer about this kind of thing every year. We even looked at bathing suits, we with our Christmas presents as yet unwrapped or labeled?

There are three new kinds of ensembles, the long plain linen coat high shouldered and buttoned most of the way down the front over a printed dress simply fascinating. In oyster white over a shrimp pink silk frock patterned with little white animals and flowers. Second, the redingote printed silk coat over a plain white dress, as a black silk on which larkly little white elephants come and go under palm trees all outlined in yellow—the coat with moderately extended sleeve tops and scallops all down the front. Third, the printed silk dress coat with short high-shouldered sleeves, that ties at the waist with rabbit ears of itself. This is enchanting in a rosy red and royal blue flower print on what is called "Turtled crane"—you'll be seeing it over an austere white silk crepe dress with a V neck and a slash between the shoulders and no sleeves.

The hand blocked linens are the sport dresses. Mercifully inexpensive too, around \$15.00 most of them. The patterns are what you have lately come to connect with glazed chintzes—bold, big, colorful. They have names, "Boy Meets Girl", "Tulip", "Swing Time", and so on. Tulip is swell in pale yellow and green on oyster white—life size flowers. "Swing Time" is our pick, royal and orange the predominant coloring with a touch of lipstick red and a bit of green too. When you look into the big rectangular pattern you see it has a royal blue man playing tennis, another fishing in green, and so on, but it's all so cleverly done in such a bold way the boys don't bother you. They'll flock around when you wear it though or we're as Dutch as Wilhelmina.

There's a sea green all-over pleated chiffon evening dress with a flame colored sash, very Undine from the Sea and Greek. Chanel's recent all-time winner in black lace is shown in shell pink lace with its great bolsters of plain net swirling out around it, and we fell like a Molluscan for a black flat crepe dinner dress printed sparsely with about three huge bouquets of bright violets, two or three daisies as big as a plate, and some other odd flowers. It was shirred into a band up to the neck behind, and slashed, and folded over the shoulders to make a modest V décolletage. Under the buzzin' are tucked one white, one rose red, and one violent green double poppy—each as big as a grapefruit. If this sounds terrible to our clumsy fault, the dress is a perfect pet, and, at thirty-five dollars, worth any slim gal's money.

And those were the days when money went a long way and commodities were cheap. We're convinced the Earl must have made a row about his light bill.

For two cloths of scarlet for the Earl against Christ mass, one cloth of russet for the Bishop of Angew, 20 cloths of blue for the Knights, 15 cloths of moiré for the lords' clerks, 28 cloths for the esquires, 15 cloths for officers, 10 cloths for grooms, 5 cloths for archers, 4 cloths for minstrels and carpenters, with the sharing and carriage for the Earl's horses at Christ mass. 1369, 138.

Item: For 7 faces of variable miniver (powdered) (venison) 7 hoods of purple, 395 furs of bridge for the freemen of barons, knights and clerks, 123 furs of lamb for esquires, bought for Christ mass, 1347, 138, 80.

Item: 24 silver dishes, so many saucers and so many cups for the buttery, 1 pair of paper masters, and 1 silver coffin (piedish) 1369, 58, 64.

Item: For 1,744 pounds of wax, with vermilion and turpentine to make red wax, 1314, 78, 14g.

Item: For 2,319 pounds of tallow candles for the household, and 1,879 lights for Paris Candles, called perchers, 131, 148, 3d.

In wine, wax, spices, cloths, furs and other things for the Countess' Wardrobe, 1314, 78, 14g.

elementary arithmetic, there ought to be no compulsory subjects. Why waste time giving a boy or girl a smattering of physiology or any one of a score of other "ologies" that he or she will never really understand or make the slightest use of? There are a dozen subjects on the curricula of the schools of this country that ought to be relegated to the last year in high school, or even the first year in college, and then taken up voluntarily by those who feel a vocation for them, using the word vocation in its proper Latin sense, a call.

Now with regard to reading, I want to say something that I have never seen in any work on education, to wit, that every school ought to have on its staff, one teacher, every college one professor, whose sole duty it would be to teach the students, not what to read, but how to understand what they read. The singular capacity of even the average fairly educated man or woman to completely misunderstand everything they read, and to read into even so simple a book as a good novel, "David Copperfield" for instance, what is really not there, is simply appalling. One had better not know how to read at all than miss the point of everything one reads, or see in the text what the author would never have dreamed of. Young people should really be told, not once but many times, by those in authority, that the richer one's experience of life the more one can get out of any writing worth the name, and that between a child's reading of a great author and a man of forty's reading there is a vast gulf. It seems to be pretty generally believed that the ability to read carries with it the ability to grasp the full meaning of the thing read. As a corrupter of public taste the popular magazine and what is known as light fiction, are bad enough, but I confess I think these things do less harm than the widely spread notion, fostered by the press, that Demos is omniscient, and that one has only to learn to read plain print to be able to grasp all the profundities of Kant and all the delicate nuances of meaning and feeling in a lyric of Blake's or an ode by Francis Thompson.

4 WEST INDIES CRUISES

UNDER AMERICAN EXPRESS MANAGEMENT

VIA THE FAMOUS TRANSATLANTIC LINER... **M.S. Lafayette**

17 DAYS (5400 miles) \$210 up SAILING JAN. 29 and FEB. 19
St. Pierre, Fort-de-France, Port of Spain, Granada, La Guayra, Cristobal, Havana.

10 DAYS (3190 miles) \$127⁵⁰ up SAILING MAR. 11 and MAR. 25
Nassau, Havana, Bermuda

CONSULT YOUR TRAVEL AGENT

French Line
375 BAY STREET
TORONTO
1106 PHILLIPS PLACE
MONTREAL

AMERICAN EXPRESS CO.
23 KING STREET WEST
TORONTO
(CANADIAN BANK OF COMMERCE BUILDING)

ABOUT THE HOUSE

BY BERNICE COFFEY

THOUGH rugs have been used for thousands of years, there is always a new story to be told about them. One of the latest is a tale of texture. Weave itself has become the centre of Fashion's focus, and floor coverings, along with draperies, chair-seats and frocks, stand and fall by their textures.

For instance, there is a rug in which the centre and the border are exactly the same color, but the fact that the centre weave is coarser and heavier than the border results in a subtle two-tone effect which is very pleasing. It is easy to see what a range of color tones this makes possible. But that is only part of the story because this effect is achieved by a process that has revolutionized rug and carpet making. The base of the rug, underneath the pile, is adjustable, made of an adhesive substance that enables the manufacturer to make seamless carpets.

Here is a concrete result of Fashion's whims. She has expressed her objection to seams in her carpets, and so a carpet with invisible seams had to be invented for her. It is also possible to create a pattern in this way, cutting and piecing different tones of rug fabric together without visible seams, and the modern designer is at liberty to repeat the color motifs of his room scheme in as many angles and lines and flat effects as he chooses.

Simplicity is the new note in rugs and carpets—simplicity in design, depending on texture and subtle changes in weave and in line rather than in contrast. Many of the new rugs are modern in concept, and they are being adopted where there is not too conspicuous a color contrast.

The interest in upholstery is in the weave, just as it is in floor coverings. In mohair fabrics, particularly, it is possible to create very interesting contrasts. To most people, it seems, mohair is another word for plush. But that was the case only in the early days before it was discovered that the hair of the angora goat, of which mohair is made, could be woven into a very beautiful unent pile.

In the printed mohairs there are new types of weave coming to the

fore. Some of the patterns are printed on a serge weave, something quite new for prints, and others on a linen-like surface. The printed colors come out very brilliantly—the fabric is full and rich, never sleazy, and good for use in important rooms.

The less formal weaves and the neutral colorings in mohair are just right for a man's bedroom and study, too.

INTEREST in figured carpets is on the rise, however, and Oriental rugs show definite signs of revival. Figured broadlooms have made great strides in the past few years, since a cycle of patterned carpets has come into being. Adaptations of Eighteenth Century and Victorian patterns, and smart modern effects offer a suitable carpet for every type of room. Patterned carpets are particularly appealing for bedrooms. The new soft colors and appealing chintz or floral patterns do much to convince one that it is mistaken economy to move the old living-room rug upstairs.

It is a fallacy that figured carpets and figured papers cannot be used together. In a newly decorated house seen recently, the guest room was carpeted with a rug in two tones of green and used with a leaf-patterned wall paper. The result is added richness and interest in the decorative scheme. With Orientals, however, spot, stripe, plain or ombre effects are more successful in draperies than are those of floral design.

There are many Oriental rugs in fine antique patterns in soft, dull colors, blendings of rose, blue, green, ivory, beige. Rugs of this character lend great charm to Eighteenth Century rooms, and, oddly enough, may be used to stunning effect in rooms of modern style. Many of these rugs are patterned from ancient documents and rare museum pieces, and in colors which harmonize with modern trends in decoration.

In planning a room with an Oriental rug as a floor covering, it is advisable that the rug be selected first, as Oriental rugs are not made overnight, and cannot always be found in the right colors, pattern and size to suit draperies and upholstery already purchased.



A DEBUTANTE of the 1936-7 Social Season—Miss Margaret Beardmore, daughter of Mrs. William Beardmore, of Toronto. —Study by Violet Keene.



A HAMILTON BRIDE—Mrs. James Charles Sibley who, before her recent marriage to Dr. Sibley was Miss Betty Parry, daughter of Dr. and Mrs. John Roland Parry, of Hamilton. —Photo by Norma Featherstone Couley.

CONCERNING FOOD

BY CYNTHIA BROWN

IT MAY have been the somewhat surprising choice of moving pictures of his abdication for his entertainment that made the Duke of Windsor feel low that second day in Austria. It may even have been "loft". We've heard it takes people that way occasionally. But we have a tiresome unromantic suspicion that it was probably indigestion.

The Duke arrived at the Rothschild's twenty-five miles from Vienna late in the day. Very shortly afterward we have it on the authority of the Associated Press, and you know how they've had to use bloodhounds to keep those boys out of the bushes—two trucks, with chefs, and prepared dishes, arrived from Vienna. The Duke had a late supper with his host and hostess.

Now Viennese cooking, as my latest Austrian cook book puts it, "Caters mainly for strong healthy people. Though there are dainty dishes to tempt the appetite of jaded invalids, these are the exception rather than the rule." Probably the chefs stuck to the rules; and the distinguished guest was feeling a bit jaded, if not actually invalidish. Just our own theory.

You are probably having a quiet week eating cold turkey and doing a little training for New Year's Eve. Why I should assume you are interested in cooking this week, is anybody's guess. Better cut out these Viennese recipes for later investigation. I'm sorry that all of them are "weighted" recipes but if you haven't

brother used to say handing me gallantly into the stern of the canoe.

BRIOCHE

1 lb. flour, 2 dessertspoons sugar
1½ oz. melted butter
¼ oz. dissolved yeast
1 cup milk
pinch of salt
1 tablespoon of rum

Mix the above to a firm dough. Let it rise and then roll it out about ½ an inch thick. Make balls or crescents and then let them rise again on a buttered tin. Brush them over with a beaten egg and bake for 15 to 20 minutes in a moderate oven.

Nussbaeckers are very rich and very delicious nut biscuits that no one should eat when jaded. The nuts are put through one of those European rotary graters that I so energetically keep telling you to buy. They are the real McCoy in the kitchen, they really are.

NUSSBAECKER

6 oz. fruit sugar
6 oz. flour
6 oz. grated nuts
6 oz. butter
1 egg

Cream the butter well first, and mix it very thoroughly with the sugar, then add the egg and beat again. Now the flour and then the finely cut nuts. Roll the paste out about an inch thick and cut into various shapes. Brush with beaten egg and bake in a moderate oven. In Vienna they ice them with a lemon icing, the stout fellows.

"Creams", which we call custards and leave pretty much alone, are a popular Viennese sweet, but made with a difference. Chocolate, coffee, lemon and cinnamon, are only a few of the variations on this theme. The vanilla one is the basic recipe, thus.

VANILLA CREAM

¾ pint milk
¼ dessertspoons flour
2 egg yolks
1 stick vanilla sugar, to taste

Stir the flour into a little milk, smooth it and add the rest of the milk gradually, then add the eggs, the sugar (about two tablespoons, we like it) and the vanilla stick. Cook in a double boiler, stirring all the time, until it thickens, then chill and serve. Boil a stick of cinnamon and 2 cloves in the above and when it is thick remove vanilla, cloves and cinnamon, and add 4 dessertspoons of cleaned raisins to make a Zacherlcream.

Use only 1 cup of milk and 1 cup of strong black coffee to make Kaffee-creme. Cook the peel of one lemon and the peel of one orange in the mixture and add the juice of the lemon and the sugar after the thing has thickened for Limonence-creme. (No, I didn't make up those names, they're authentic, dears.)

Finally a practicality that may help to dispose with an air of the end of the holiday ham. It's only a cauliflower with ham, decorated a bit, but it's called

SCHINKENKARFIOL

1 cauliflower
1 cup minced ham
2 egg yolks
½ cup sour cream
½ cup bread crumbs
1½ oz. melted butter

Cook the cauliflower in salted water till quite soft, separate the flowers. Put a layer at the bottom of a soufflé dish then a layer of the minced ham and repeat till the dish is nearly full, ending with cauliflower. Whip the egg yolks in the cream and pour this mixture over the cauliflower, sprinkle it with bread crumbs and sprinkle on melted butter. Bake in a hot oven for 25 minutes. I'm assuming you have seasoned the whole affair adequately as you piled it up. Paprika helps.

It's about time we all went off and tried to remember last year's New Year's resolutions, isn't it? So what?



MRS. WILLIAM MACDONALD, nee Miss Isabel Holmstead, whose marriage took place recently at Toronto.

—Photo by Ashley & Crippen.

ABOUT MONARCHY

BY MARION GRANGE

THE abdication of His Majesty Edward VIII has brought forth several nice points concerning the rights and prerogatives governing monarchy in the British Isles.

Laws of procedure are not iron-clad. Procedure regarding monarchy, as with other institutions, must have a process of evolution. That is a self-evident fact. Also, as the different stories that came from Britain in the last few months regarding certain claims for the coronation showed, rights are not necessarily lost by the process of time, although they have to be authenticated. Certain rights have been lost or modified. It is true, by legislation or custom, as for instance the right of veto by the sovereign, but seldom if ever before has a rule of procedure been absolutely reversed without legislation.

Queen Mary again uses "Mary R." as her signature. Immediately on the death of George V some eleven months ago, even before the funeral of her husband, although there was then no queen to take her place and she was still the first lady of the land, she signed herself "Mary."

To Canadians it appears as if the Government, appreciating that the queen mother is a force in upholding the monarchy, has asked her to take the R. back into her signature. Canadians have noted with interest that in her appeal to the British people to support the new King, and in her message of acknowledgment to Mr. Mackenzie King, the Canadian Prime Minister the other day, she signed herself "Mary R." Will this mean that

for all time after this, a widow of a British king will continue using R. in her signature, or is this privilege for Mary alone?

Queen Elizabeth was made a knight of the garter at once. Queen Mary is the only other woman member of the most ancient and illustrious order of knighthood. In Britain a dowager mother always takes precedence socially of the wife except in the case of queens. Was it felt that it was unbecoming to have even the queen mother a knight of the garter and not the queen consort?

When Lady Elizabeth Bowes-Lyon married H.R.H. the Duke of York she was made H.R.H. by royal proclamation. Will the wife of a royal prince who by legislation does not have to procure the permission of his sovereign to marry necessarily become a royal highness? Will the wife of H.R.H. the Duke of Windsor necessarily be Her Royal Highness the Duchess of Windsor? Canadians do not know.

Canadians knew that the Princess Elizabeth would not be made the Princess of Wales. They realize that if a son were born to Queen Elizabeth he would be the heir to the throne. Yet your correspondent was interested in reading that twice before there has been a Princess of Wales "in her own right." King Henry VIII, than whom there was seldom a greater giver or taker away of honors, conferred the title first on his daughter Mary and afterwards on his daughter Elizabeth. As far as the writer knows in neither case was there any ceremony when the honor was conferred.

DRESSING TABLE

BY ISABEL MORGAN

SHOULD you be one of those individuals who spring up from the downy with a merry song on their lips at the crack of dawn, we have nothing further to say to you. If, on the other hand, you emerge into consciousness grudgingly and with a seener against all mankind, we should like to suggest that you not try to be heroic about this business of getting the new day. Choose a gentle way of coaxing yourself from slumber, and you probably will be able to bear up under this trying experience. Avoid the rasping peal of an alarm. Choose rather a little clock with chimes. If you have a maid call you, let her be firm but quietly dignified, neither scolding nor over-polly. The English have maids bring tea just a cup to give them strength to get to breakfast.

If your spirit is blighted by the first sight of light, have a mild dose of beauty. A certain Patience comes to on the wings of Rimsky-Korsakoff's "Chanson Au Soleil" turned on by unseen hands. At the other extreme is a Japanese manservant who long ago gave up as a bad job the task of waking his master. He turns on the radio at its loudest, selects the most obviously cheerful program he can find, blandly retires to the kitchen behind closed doors, and lets nature take its course.

Once awake nothing ails but extreme torpidity. Those who toss about and make moan are only postponing the agony. To jump out of bed would be suicidal, but you must take some action. Do not drag yourself wearily to a hot tub. That only makes you weaker. Try exercises. A very effective sugar-coated method, a step to more drastic things, is now in high favor in German sanatoriums. You just lie where you are and breathe deeply. Inflate your lungs and, figuratively, pull your stomach up under your ribs. When you have taken in all the air your lungs will hold, deflate them and expand your stomach. By the time you have gone through this twenty times you may be able to sit up. If so, do some neck exercises.

A slightly more drastic set of in-bed exercises starts with a kick. You bring both knees up to your chest and, with one heroic gesture, hurl the bed clothes over the footboard. This irrevocable move leaves you shivering on the mattress and makes violent exercises of the arms and legs the only possible means of sustaining life.

It is too much for you, you might simply lie there and stretch—and stretch—and stretch—so that you

can feel the pull in every muscle from your fingers to your toes. If you have ever seen a dog or cat waking up, and who has not? you know what we mean.

IF YOU take a good soak before dressing for dinner or going to bed, a shower in the morning is plenty. It obviates the chance of falling asleep and drowning, and is quicker and less enervating. Besides, you can get just as clean. There are wonderful soap mitts to simplify scrubbing. A few passes will cover your skin with suds and you can be sure that the mitts will not leap out of your hands and under the tub as soap does.

Granted you are physically sound, the first brave thing is to turn the warm water slowly on, keep your mouth and a stiff upper lip, and turn the cold water slowly on. Note: Never be abrupt. A sudden icy avalanche is really no afflicting. When the cold is on unadmittedly, let the water fall full on your spine, turn and let it beat on your chest. Severe if you must, but keep your hands off the taps until you have borne a slow count of ten. Swelling with pride, you will step out with the strength of ten.

MOST of the time spent in getting up is wasted in trapping helplessly about. Have a double supply if necessary, but be sure that things are where you want to use them. When you have had your shower and a tub down, go to the wash basin, get through everything that has to be done there. Drench your face with cold water. A thorough cleansing with soap or cleansing cream may not be necessary. (Perish the thought that you did not take your make-up off before going to bed!) A sharp tone is sometimes sufficient for removing impurities that accumulated during the night. Use tissues, a cotton face rag, or anti-septic cotton.

A great deal of your early morning agony is an illusion produced by burning eyes. Wash them. A good lotion is refreshing, clears up bloodshotness and takes away that dazed, vacant look. Don't bother mixing things. Have a made-up wash and a little eye-cup.

It is not necessary to suffer indefinitely a toothpaste you hate

IT IS now time to put on your underthings, pull your face and hair together and get into your outer clothes.



Quality has always been the finest... and the price fair

THE CONSUMER IS BOSS

Those who criticize the American form of society often complain about the large quantity of non-essential goods now being produced and sold. They are deeply concerned because so much of our national income goes into the manufacture of cosmetics that do not enhance natural beauty, fancy breakfast foods that do not nourish more than plain mush, popular books that do not educate, and cigarettes that do no one any good. One of the reasons given for the desire to change our form of society is to place a curb on the production of these and other frivolous things, in order that industry may produce more of the things that will improve our minds and morals.

The advertising of luxuries is especially condemned because it leads some people to spend money for movies instead of educational lectures, and automobiles instead of homes. Because advertising sometimes helps to persuade people to buy mechanical refrigerators when their old ice boxes are still serviceable, the whole idea of advertising to consumers is called unsound and wasteful. Although most people would not agree with this view, it is being preached by many social reformers and they should be answered.

One of the underlying principles of democracy is that every individual shall be free to spend his income as he sees fit, and shall be his own judge as to what is good for his welfare, and how to get the greatest satisfaction out of life. Every mature man or woman is pre-

sumed to know enough to decide these things without supervision by self-appointed guardians of the public welfare. After all, tastes differ, and what is best for one may not be best for another.

From time immemorial, every one has had the right to make what he thinks the public will want and to place it on the market. In advertising his goods, the would-be-seller merely gives public notice of what he has for sale and why he thinks it worth buying. So long as his claims are truthful, the advertising serves a useful purpose, making it easier for the consumer to choose what he wants from the goods of the world. The wider the choice, the better we like it.

We would deeply resent any interference with our freedom of choice in buying. As yet, there has been no attempt to pass laws restricting that freedom, but there are many reformers who would like to see the use of advertising prohibited, which would have much the same effect. No one wants to defend untruthful or objectionable advertising. There is some of that, just as there are black sheep in every walk of life. The great bulk of today's advertisers give us truthful and constructive messages about their products and how to use them.

The consumer who does the buying is in complete control of what products shall be made and what articles shall be distributed. Advertising helps to put this control in the consumer's hands. That is where it must remain.

Prepared by the

Bureau of Research and Education, American Federation of Labor

The record for this is a minute and a half, but even a tumbling hand should not take more than fifteen minutes.

Start with your face. Be sure you have a good lick at your dressing table. The white noses and blushing cheeks that you see in the street, seemed fetching enough in the bed room. If possible have your dressing table placed across a window. This will throw whatever light there is full in your face and although the mirror remains in shadow, you will get a clear reflection in the glass. Putting a bright window, have a lamp with a strong day-light bulb. Putting that, have one of those blue glass mirrors. These introduce a strange, steel light that counteracts the yellow effect of an ordinary bulb.

There are a hundred theories to indicate what powder you should use. The powder that brings out the best in your own skin is the answer to the simplest of them. But an dull, cold days a warm rosy powder does for you optically what a mink coat accomplishes tangibly. It disguises the ravages of high life, also, and brings a take but comforting healthiness to the sick. Clear powders, by the same token, tone you down. Certain dress colors deserve special powder shades, be

you hot, cold, sick, or well. Blues and grays want warm tones, teals and oranges cool ones. Brown and yellow greens need clear, light shades.

A powder foundation is always a good idea. It protects the face from wind, the dryness of steam heat, and the dirt of our so-called "clean cities." It also makes the powder stay longer. Try it. If you use a lotion with powder in it, to have the powder melt, what ever you are using fairly closely.

Use rouge and every other sort of trickery, but use them sparingly. Be very careful with rouge. It is a cream, smooth it thoroughly and be sure you get it even. When you get floundering, rub a drop of foundation into the cream. It makes the surplus easier to wipe away. There are no steps backward with powder rouge and you have to treat that very gingerly. Of course, pale rouges are far easier to handle than brilliant ones. They are powders for the most part.

Now it's time to pull on your dress. Careful of your hair. Hat. Bag. Gloves. Key. Money. Handkerchief. Shopping list. Have you everything? Yes? Then off you go, and if you don't feel like a new woman after all your trouble, you can stay in bed forever, for all we care.



MISS NORMA LEE, who made her debut this season in Quebec.

—Study by Roy.

already got a kitchen scales I think you'd better invest in one. After all, I've had to.

You know those twisted bun things, or do you, that they serve with coffee in Austria? They are called *Brezel* or *Streusel*. Sometimes they're iced, but oftener have a shiny surface covered with chopped almonds.

CHRISTMAS TWISTS OR

WEIHNACHTS STREITZEL

8 oz. flour
¼ oz. yeast (dissolved in 3 table-spoons milk)
2½ oz. butter
1 egg
1 dessertspoonful sugar
a little grated lemon peel
1½ tablespoons sultana raisins

Mix the flour and yeast together and leave it to rise in a warm place. Cream the butter, add the sugar, lemon peel, egg, flour and yeast. Mix these well together then add the raisins. Make the dough into a twist, brush it over with beaten egg, sprinkle it with blanched and cut almonds and coarse granulated or rolled lump sugar. Let it rise for ½ an hour and then bake in a moderate oven until light brown.

Brioche that you eat with jam for breakfast or tea aren't really beyond our combined skill. I'll supply the skill, you supply the labor, as my

SCHINKENKARFIOL

1 cauliflower
1 cup minced ham
2 egg yolks
½ cup sour cream
½ cup bread crumbs
1½ oz. melted butter

Cook the cauliflower in salted water till quite soft, separate the flowers. Put a layer at the bottom of a soufflé dish then a layer of the minced ham and repeat till the dish is nearly full, ending with cauliflower. Whip the egg yolks in the cream and pour this mixture over the cauliflower, sprinkle it with bread crumbs and sprinkle on melted butter. Bake in a hot oven for 25 minutes. I'm assuming you have seasoned the whole affair adequately as you piled it up. Paprika helps.

It's about time we all went off and tried to remember last year's New Year's resolutions, isn't it? So what?



MRS. DARCY RICHARDSON, a recent bride, was formerly Miss Frances MacKenzie, daughter of Mrs. MacKenzie and the late Norman S. MacKenzie, of Hamilton.

—Photo by Norma Featherstone Couley.

Sailing January 27



RAYMOND-WHITCOMB WEST INDIES CRUISE

in the Canard White Star liner

"BRITANNIC"

January 27 to February 15

Rates, \$220 up

An inviting midwinter cruise in one of the most popular modern liners. With calls at twelve fascinating ports in the West Indies and South America.

Other WEST INDIES CRUISES

In the "Britannic"

February 17 to March 10 Rates, \$240 up
March 12 to March 26 Rates, \$165 up
March 26 to April 4 Rates, \$100 up

In the French Line "Champlain"

February 10 to February 23 Rates, \$165 up
February 24 to March 30, including 3 ports in the West Indies, 2 ports in West Africa, Canary Islands and 7 ports in the Mediterranean. Rates, \$450 up.

MEDITERRANEAN CRUISE

In the M. V. "Vulcania"

(In co-operation with the Italian Line)

The Mediterranean from end to end with 6 days in Egypt. February 10 to April 11. Rates, \$685 up.

SOUTH SEA ISLANDS

EAST INDIES & SOUTH AFRICA

Sailing January 19

ASK ANY TRAVEL AGENT

RAYMOND-WHITCOMB

670 Fifth Avenue, New York

FLORIDA Empire of Sunshine

HAVANA — NASSAU — SOUTH

From WASHINGTON, DAILY

* Florida Special Golden Jubilee Season—

Recreation Car—Orchestra—Dancing—Games—

Hostess. Only 23 1/2 hours Washington to Miami.

* Gulf Coast Limited One-Night Out to

all principal Florida Resorts.

* The Miamian One-Night Out to Miami

and Fla. East Coast Resorts.

* Havana Special All Florida and Havana.

Famous Lounge Car.

Palmetto Limited To all the Mid-South

Resorts.

The "Everglades" New, Fast Non-Stop

Train to Jacksonville, early morning arrivals at Miami, Tampa, Sarasota, St. Petersburg. Leave Washington 9 a.m. daily.

* SHIP-YOUTH AUTO—4 cents per mile.

* Over F. E. C. 10 Jacksonville to East Coast points.

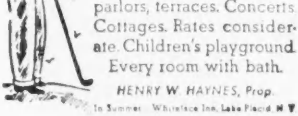
For conditions, ask ticket agent.

R. S. VOIGT, General Eastern Passenger Agent

10 East 44th St., New York. MUrray Hill 2-0800.

Atlantic Coast Line

The Standard Railroad of the South



Now open for 25th year.
Two blocks from famous
racing beach. Best client-
ele. All sports. Sun decks,
pools, terraces. Concerts.
Cottages. Rates consider-
ate. Children's playground.
Every room with bath.

HENRY W. HAYNES, Prop.

In Summer, Whitcomb Inc., Lake Park, Fla.

Hotel PRINCESS ISSENA

DAYTONA BEACH...FLORIDA

Mothersills

Guarantees A Perfect

Voyage

MOTHERSILLS

SEASICK

REMEDY

THE HUNTINGTON

TABLE A RESORT HOTEL OF MERIT

Ideal location near everything of in-
terest. New modern rooms, all out-
side and sunny. Fine cuisine. Tropic-
al gardens. Music daily. Amer. Plan.
Pleasant rates. Illustrated Booklet.

PAUL S. BARNES, Manager

ST. PETERSBURG ~ FLORIDA

—Ports of Call

AT SEA ISLAND IN GEORGIA

CRISP stimulating atmosphere and an exotic semi-tropical setting add to pleasure in year-round sports at Sea Island, just off Georgia's southern coast. At this resort, favored by prominent sportsmen from widely varying sections of the country, sports are on a grand scale. Improvements and additions to facilities this season are already adding impetus to the continual interest in sports.

Centering the activity at Sea Island is the beautiful Cloister Hotel, where completion of a new wing marks the turning of the ninth season at this island resort. Concerts, bridge parties, and frequent teas will be held in the new North Lounge, while the Bamboo Room will be the scene of spirited Ping-Pong tournaments, aperitif parties, and other informal gatherings. Both of these rooms are included in the new wing, which forms an effective link between the Mediterranean decoration of the hotel proper and the modernistic clubrooms.

Inaugurating the use of the tennis courts, recently completed on the Cloister grounds adjacent to three courts which had already proved popular, several informal matches and round robin tournaments are being held this month under the direction of Martin J. Simmons, tennis professional. Also just finished is a badminton court, well protected from the wind by a tall hedge of oleanders which bloom a large part of the year. Bowling-on-the-green never fails to attract many participants, especially from among Canadians at The Cloister. Real sand traps and a lily pond water hazard add to the fun in playing the sporty little two-club Golf Course, which affords good practice for the pitch and putt play in real golf. Croquet, archery, putting, and quoits are other sports furnishing diversion on the Cloister lawns, but all the sports combined are no more popular than basking in the sun with your deck chair placed in the Cloister's walled patio, ever colorful with flowering shrubs.

SKET shooting occupies so prominent a place on the sports calendar at Sea Island that a second skeet layout has just been put into use adjacent to the other layout. Each day finds skeet enthusiasts perfecting their timing and aim at the Sea Island Gun



DRIVING A TRIM LIGHT RIG is a favored way of exploring the miles of wooded trails winding about Sea Island, Georgia, where horseback riding is also a leading sport. —Sea Island Photo by Terhune.

clubs and monuments to the important pages of history enacted on Georgia's Golden Isles. These pine and palm bordered bridge paths lure equestrians, who often enjoy a steak fry luncheon in a rustic setting, or a beach oyster roast after a moonlight ride over the packed beach sands.

Cyclists, too, find the broad strand a perfect course for riding either bicycles built for two or single bikes. Bicycles are kept at the Cloister front entrance and are constantly used by Cloister guests and residents in the Sea Island colony.

With twenty-five tournaments scheduled during the winter and spring seasons at the Sea Island Golf Club, golf is continuing to be one of the outstanding sports at Sea Island. Said by many experts to offer the greatest variety of shots on any course in America, the Sea Island course features two distinct types of play on the two nines. The first nine is characteristic of wooded courses, with trees and shrubs

born over 125 years old compose the central portion of the clubhouse, where the rest of the lobby used in construction is admirably matched to these walls over a century old.

The Golf Clubhouse is in constant demand as a setting for parties, and the polished floor in the spacious lounge is ideal for small dances after dinner parties in the grill. Teas and aperitif parties also often assemble Cloister guests and Sea Island residents at the Golf Club, where tables covered with bright umbrellas are placed on the lawn or the flagged terraces for these affairs on sunny warm days.

Located on the Inland Yacht Passage, the Sea Island Yacht and Boat Clubs see many of the nation's most beautiful yachts pass by or dock for their owners to visit Sea Island. Here cruisers take parties on deep sea fishing trips for bass, averaging around 35 pounds, drum weighing up to 80 pounds, and red snapper. Speed boats cut through the protected serpentine waterways encircling the coastal islands, and sail boats skim the river waters. With the completion of a marine railway at the boat club and many improvements at both of these clubs, interest has been added to competition between owners of these small pleasure craft, and regattas are being planned for the coming season.

At the Sea Island Fishing Camp at the northeast tip of the island, parties go out in bateaux to fish in the river for winter trout, whiting, flounder, and sheephead, or go in power boats to Pelican Banks to try their luck surf casting for channel bass. Or followers of Isaac Walton may fish almost in the shadow of The Cloister if they wish, for the dock on the Black Tanks River directly opposite the Cloister entrance is a splendid fishing drop and tackle, bait, and equipment are kept in a little cabin on the bank for fishing from the dock or from the terrace of the Cloister Hotel Apartments.

FIVE miles of the softest and smoothest beach on the Atlantic Seaboard stretch out before the Sea Island Beach Casino. Sun and surf bathers frequent this section of the beach particularly, and bright-lined umbrellas with matching deck chairs, and vivid beach blankets add spots of color to the scene, accented by the varied-colored suits of the bathers. Adjacent to the Casino is the swimming pool fed by artesian wells and surrounded by a protected sun deck, where many prefer to acquire a bronze, shielded by a wall from the ocean breezes. Boxing matches and cinema attractions are held in the large Casino ballroom, while bowling alleys on the first floor attract individual competition and team matches. Paddle tennis, beach ball, and soft ball are games popular on the broad stretch of beach just in front of the Casino, and have proved so popular that many island residents have acquired sets for use on the beach in front of their own cottages.

With more than ten new homes built this year in the Sea Island residence colony and others now under construction, the season has started unusually early and informal gatherings as friends frequently in the residence colony as well as at The Cloister. Nestled in picturesque settings of tall pines and scrubby, dwarfed cypresses and oak, or commanding sweeping views of the broad beach and dunes, the homes on Sea Island belong to interesting people from widely separated sections of the country.



SKET SHOOTING is one of the outstanding sports at Sea Island, Georgia, where the new clubhouse and second skeet layout have added to the interest of Cloister guests and Sea Island residents. —Sea Island Photo.

Spend this Winter



IN THE SUN

Ask your travel agent
for the new booklet on
TRINIDAD AND TOBAGO
"Land of the Humming Bird"

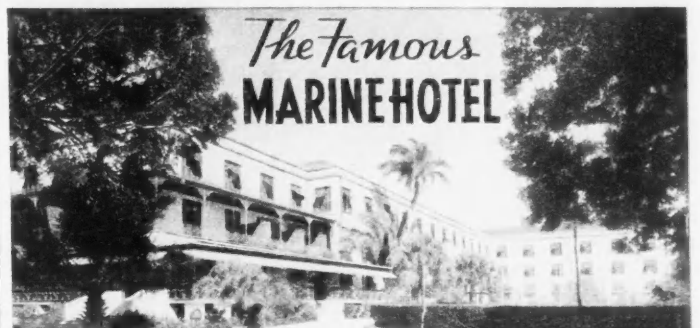
Or write TRADE COMMISSIONER
225 Board of Trade Bldg., Montreal



IN the whole West Indies there's nothing else quite like this fascinating land. Every summer recreation amid scenes of tropical beauty. See the famous Asphalt Lake at La Brea where Raleigh caulked his ships. Explore Tobago, Robinson Crusoe's Island. So restful—yet there's never a dull moment. So entrancing that you'll want to return again and again.

TOURIST INQUIRY BUREAU

Port of Spain, Trinidad, B.W.I.



In Sunny BARBADOS BRITISH WEST INDIES

Designed for living—for relaxation—for cool comfort. In beautiful, tropical estate adjacent to sea beach, golf, tennis. Open year round. Moderate rates. Write or wire hotel or Canadian West Indian League, Sun Life Bldg., Montreal.



THE

Scout

Fast • fine
convenient to California
for coach and tourist—Pullman travel

● Up and up goes the speed, the convenience, the downright solid comfort and enjoyment of going places on the western rails. ● Down and down has gone the cost of that rail travel—until now it is the lowest in history.

● Every type of traveler is profiting from this two-way pull—and no one more than those who must watch their travel budgets carefully. Consider what those precious dollars buy on the Santa Fe's Scout, dedicated to finer service for tourist-Pullman and chair car passengers.

● The Scout is fast, ranking with all but the extra-fare fliers. It is convenient—in departure from and arrival at Chicago, Kansas City, Los Angeles; and in connections for Grand Canyon.

● The Scout is comfortable—air-

conditioned throughout. Its tourist sleepers are the finely reconditioned standard Pullmans of but a few years ago. The chair cars, beautifully decorated, have new type deeply cushioned and adjustable reclining seats; individual overhead lights; unusually roomy baggage racks, double breadth windows, generous dressing rooms. It is economical—for there are free pillows, drinking cups and porter service—delicious low cost Fred Harvey meals—with those rock bottom western winter rail fares, shown below. May we assist in planning your trip?

LOWEST LONG LIMIT WINTER ROUND TRIP FARES EVER OFFERED BETWEEN TORONTO AND CALIFORNIA

\$7970	Round trip coach fare. Six months return limit.	\$9900	Round trip tourist car fare. Six months re- turn limit.	\$11620	Round trip first class. 30 day re- turn limit.
On sale November 1 to May 14.					
On sale from October 1 to May 14. Berth extra.					

R. C. SMITH, Gen. Agent
SANTA FE RY.
505 Tenth Avenue, E.B.R.
DENVER, CO. 11
Phone: R. Andulph 4745.

ALL Change

AUSTRALIA

Change from Winter's ice and snow... as glorious days call you to Australia... where it's Summer now! Island-continent of play, peace and progress... of many contrasts... of gay and modern cities united by fast railways with attractive special rates for tourists... of novel things to see and do! You will want to stay at least a month! Australia is easy to reach. En route, travel's most glamorous playground—Hawaii, Samoa, Fiji and New Zealand. Costs are moderate, and the exchange Agent or your dollar. Details from your Travel Agent or:

SPEND A FASCINATING MONTH IN AUSTRALIA

AUSTRALIAN NATIONAL TRAVEL ASSOCIATION
(A non-profit Community Organization)
Suite 311A, Hotel Clark, Los Angeles, California

SATURDAY NIGHT

SECTION III

BUSINESS

FINANCE

GOLD & DROSS

INSURANCE

THE MARKET

Safety for
the Investor

TORONTO, CANADA, JANUARY 2, 1937

P. M. Richards,
Financial Editor

WHAT REALLY IS WRONG WITH THE RAILWAYS?

Highway Truckers Have Taken Large Part of Rail Revenues — Rails Must Adjust Themselves to New Conditions and Furnish the Service That Industry Wants Today

BY E. W. OLIVER

The author of this article and of a following article, to appear next week, is one of the leading Canadian authorities on practical railway operation, and is recognized all over the continent as specially qualified to speak on the subject of the relation between road and rail transport. Mr. Oliver is a University of Toronto man, who spent the years 1900 to 1918 with the Canadian Northern Railway, and 1919 to 1932 with the Canadian National. In 1923 he reported for the C.N.R. on the development of the Diesel engine in Europe, with the result that the C.N.R. undertook the first Diesel development in North America, thus giving a start to a process which is effecting radical changes in the character of rail transport equipment all over the continent. In 1931-32 he carried out for the same railway an investigation of the loss of railway traffic through highway vehicles, involving much research work in Canada, the United States and Great Britain. As a result of his report he was offered the post of Director of Research and Service on the St. Louis Southwestern Railway under Vice-President J. R. Turner; and had he not been a Canadian citizen he would undoubtedly have received the appointment of Director of Transportation under the Federal Coordinator of Transportation in Washington, D.C. He was strongly recommended for this work by Mr. Turner, who himself accepted the post only after it became clear that it would have to be occupied by an American citizen, and whose views are substantially identical with those of Mr. Oliver.

In this first article Mr. Oliver traces the present difficulties of the railways of North America, and particularly of Canada, to their failure to meet the improved service rendered possible by the development of the automotive vehicle and the construction of paved highways — service which is now operated almost entirely as a wholly independent and competitive means of transport. In the second article Mr. Oliver will discuss the methods by which this competitive means of transport should be allied with railway operation to form a unified system vastly more efficient than either can be by itself.

THE present financial position of the railways in the United States and Canada can be attributed to two basic causes. Firstly, the shrinkage in gross revenue caused by the industrial depression of the last seven years, and secondly, the loss of gross revenue due to the volume of traffic diverted to competitive forms of transportation, the effect of which became more and more serious annually, following the year 1920.

The delay in modernizing rail transportation to meet these competitive conditions is difficult to condone under any circumstance. It was obviously necessary to do so in order to give industry the type of service required to maintain new schedules of industrial production. Without such modernization it is impossible to cope with the definite change in merchandizing methods incident to the introduction of the low inventory system, which system was made possible by the growth of truck transportation following the construction of improved highways throughout the country.

Inseparably related to it is the problem of obtaining types of equipment which will not only put the railway in a position of competitive equality, or one of superiority, with other transportation media, but will, at the same time, permit drastic reduction in operating expenses.

Until rail modernization takes place there appears small hope of the railways regaining the vitally important position they should occupy in the life of the nation and in stabilizing many financial institutions holding large quantities of their securities.

In the United States the gross earnings of Class I railroads (those having annual gross earnings of one million dollars or more) for the year 1933 amounted to 49 per cent of the earnings in 1929, their peak year.

In Canada the gross earnings of the Canadian National Ry. in 1933 were 48.7 per cent and the Canadian Pacific Ry. 47.3 per cent of the 1928 earnings (the year of peak earnings in Canada).

The result in the United States is found in the fact that 92 railroads are now in receivership and 84 out of 144 Class I companies, not in receivership, have ceased paying common stock dividends. The loss in market value to holders of railroad securities has been colossal.

The result in Canada made it necessary for Parliament to vote huge sums of money to maintain the Canadian National System, while the Canadian Pacific Ry. after paying a 10 per cent common stock dividend for many years found it necessary to discontinue it. This dividend disbursement for the year 1930 amounted to \$33,242,908. The action on the part of the Canadian Pacific Ry. was undreamed of a few years before at a time when its common stock was regarded as a high class revenue investment. But the dividend loss was not the most serious. The shrinkage in the value of Canadian Pacific Ry. common stock between 1929 and 1933 exceeded the sum of \$750,000,000 without reference to the shrinkage in its prior securities outstanding.

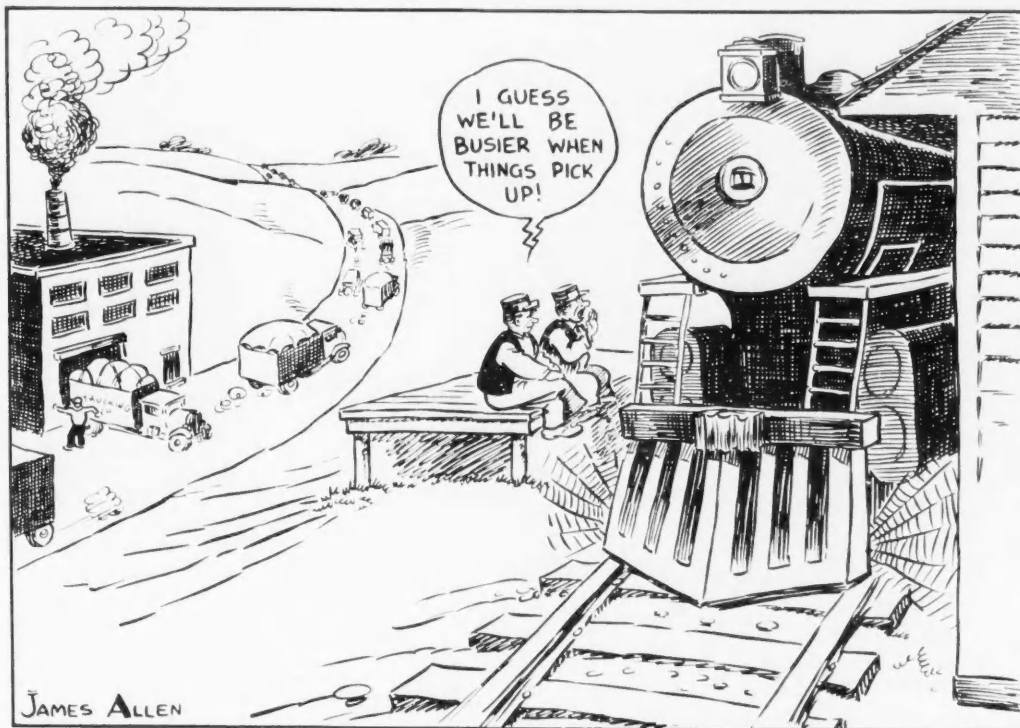
The Canadian Pacific and the Canadian National Ry. together account for 92 per cent of the Canadian railway mileage and 89 per cent of the railway earnings, thus fairly indicating the situation in Canada.

When an industry experiences a major loss of gross revenue through the slowing up of

business activity, it loses no time in adjusting its operations to cut expenses, even to the extent of closing down temporarily. In rendering public service a railway cannot adjust itself in similar manner because, regardless of volume of traffic available, almost as much service has to be provided in periods of depression as in periods of normal business. It, therefore, becomes a very difficult problem

to bridge the period of low traffic volume in cycles of business activity. While the public service obligation is a constant factor, traffic moves up or down with national economic conditions, and is thus beyond the control of railway management.

The intensity of the present subnormal business period has been much greater than that of (Continued on Page 23)



BUSINESS IS GOOD FOR THE TRUCKERS!

INFLATION OF WAR TYPE AHEAD

Combination of Artificially Expanded Demand for Goods and Artificially Restricted Supply Must Cause Trouble

BY WALTER LIPPMANN

AS THE year 1936 draws to its close the general economic picture in the United States presents some very striking contradictions. In the consumer goods industries there is a boom, that is to say the demand for goods is tending to run ahead of the supply. In the durable goods industries, such as the construction of houses and the making of heavy machinery, a rapid recovery is under way. As this recovery proceeds it will, of course, increase the demand for consumer goods when the payrolls and the profits of these industries expand. Thus the full recovery of the heavy industries will soon turn the existing boom in the light industries into a very big boom. To meet the demand the light industries in their turn will be forced to increase their productive equipment. This will in turn accentuate the boom in all branches of industry.

Yet side by side with all this there is unemployment, which some authorities estimate at over eight million persons. And side by side with this unemployment there is increasing evidence of a shortage of skilled labor. How is one to reconcile a boom with unemployment and unemployment with a shortage of labor?

Strange as it may first appear, all these phenomena — the danger of a great boom, the continuation of large scale unemployment, and the shortage of skilled labor — arise from the same cause. That cause goes back to the early days of the New Deal, to the inner contradiction between the monetary policy of the Administration and its labor policy. The monetary policy has been to create mass purchasing power by putting into the hands of the unemployed,

of the farmers, of the veterans, of contractors on public works, of the army and the navy, great quantities of inflationary money. This money, plus the funds attracted from abroad by the devaluation of the dollar, plus the credit which is built upon the inflated bank deposits, is creating a boom demand for goods, a cash boom largely. There is, or at least there will shortly be, more purchasing power than there are goods to be purchased.

On the other hand, the labor policy has consisted in a variety of measures to restrict the production of goods. About three million workers are employed at prevailing rates of wages and hours on public works which, however desirable in themselves, do not produce goods that supply the greatly increased demand. Another million and a half are on various forms of relief which provide them with considerable purchasing power though they produce no wealth to supply the demand. Moreover, in one way or another, through trade union regulations or through moral suasion in the spirit of the N.R.A., the hours of labor have been kept considerably below those which prevailed before the depression.

Thus, there is a gigantic stimulation of the demand for goods. At the same time, a large part of the workers are kept out of production, being employed on public works making goods that are not for sale, and among the privately employed workers production is restricted. This combination of an artificially expanded demand and an artificially restricted supply is bound to produce an inflationary boom. That is to say it is bound, if it is not corrected (Continued on Page 21)

BUSINESS AND MARKET FORECAST

BY HARUSPEX

THE PRIMARY OR LONG TERM TREND of stock prices and of business, upward since midsummer of 1932, shows no sign as yet of a reversal.

THE SECONDARY OR SHORT TERM TREND reached a temporary peak when on October 14 the Rails touched 59.89 and on November 17 the Industrials attained 184.90. The failure of the market to keep up its climb was accompanied by other unfavorable market characteristics that led this forecaster on November 14 and November 21 to suggest that investors should cut down their ownership of stocks, and speculators on margin to take to the sidelines. This afforded investors an opportunity to clean house and speculators, free of all commitments, to take a more detached attitude towards the market as a whole. It also enabled both to make a calm appraisal of individual stocks when a buying point next appears. Volume has declined since the market started on its downward course. This is encouraging. It will be observed that the market reached a low on December 21 and 22 (see graph) and from this low a minor rally has developed. If the next decline keeps above the lows of December 21 and 22 and is followed by a rally that carries the averages above the points reached on the preceding rally, we may then have a point (Continued on Page 22)

DOW JONES AVERAGES—NEW YORK STOCK MARKET

	Industrials	Rails
July 8 32	41.22	13.23
Nov. 14 36	184.90	59.89
Dec. 21 36	175.85	51.68
Dec. 24 36	178.60	52.58



AS THE world enters 1937 its greatest worry is international politics. Germany and Italy are in very bad shape economically, and there is fear that they may plunge into war in an effort to divert their people's attention from domestic conditions and also to win some kind of a new deal economically. Their Spanish involvements could easily provide the avenue. Apart from this particular angle, the continued rapid increase of armaments by most of the big powers justifies fears that they will be put to use before long. Maybe this would be an appropriate time for the calling of a new world peace conference, to be sponsored perhaps by the United States as being the most disinterested great power. To achieve any real good the conference would have to deal largely with economic matters: broadly, the question of the reduction of the barriers to international trade and the demand of Italy and Germany for supplies of raw materials.

DOMESTIC trade and industrial production have increased notably in the past year or so in most of the industrialized countries but international trade has done very poorly in comparison. The depression trend to economic nationalism has been growing despite the general improvement in business, and this fact constitutes a serious threat to world peace and the continuance of economic progress. It may be time to try again to get together in friendly fashion and achieve a workable compromise of conflicting viewpoints and aims. Perhaps it's mainly a matter of the right leadership. Mr. Roosevelt has plenty on his mind now but we would like to see him give some thought to this.

ANOTHER of our worries is the growth of radicalism and where it may lead us. In our own country we are especially worried by Abohartism and the like and the resulting threat to national unity and to sectional and group co-operation. Personally we believe that grounds for this fear are likely to diminish very definitely over the next few years, though they may well develop again later on. Indications are that times are going to be good over the next several years, which should mean that a great many "have nots" will move over into the ranks of the "haves". After all, what makes conservatives is having something to conserve.

FOR the same reason we imagine that labor troubles are likely to diminish in the years immediately ahead. Across the border Mr. John L. Lewis and his Committee for Industrial Organization are currently giving the automotive industry a big headache and have caused partial curtailment of operations in several plants, which may become more serious yet. There are also threats of strikes in other industries. Conceivably labor disturbances could be serious enough to slow down the pace of business, but it is not thought likely. Government and business are showing a friendlier attitude toward each other, and labor is likely to become less fractious with better times.

PROBABLY of more significance for the future is the continued steady rise of commodity prices, and the indications that the movement will continue. We printed an article in this section last week which showed how much greater the commodity price rise was in 1936 than in the two years preceding, also how farm products had gained considerably more than other commodities. The latter fact, of course, is all

to the good, as it means that the basis of exchange between city and country is brought nearer normal and thus that one of the chief causes of general economic imbalance is lessened. It is hoped and expected that this trend will continue in 1937 and farm purchasing power be further restored. Rising commodity prices have a very stimulating effect on business, up to a point. Beyond that they tend to lead to speculative buying in anticipation of further advances, which obviously could be carried to an unhealthy degree. Standard Statistics says currently that "The current rising trend of prices is influencing buyers in almost every line of business to anticipate their actual wants much further in advance than formerly." This means that business is stimulated today to be depressed later.

DESPITE commodity price rises, public purchasing power has risen sufficiently to take care of the substantial increase in production effected so far. If, as a result of the inflationary policies pursued in the depression years, the demand for goods tends to outrun productive capacity, we shall see a sharper rise in commodity prices. Then, perhaps we shall be in trouble again. One of the factors tending to push prices upward is the large increase in most countries' holdings of gold, together with the increase in the price of gold three years ago. Governments and central banks hope to be able to prevent this increase in gold resources being reflected in a harmful expansion of credit, but whether they will actually be able to do so remains to be seen. It may be a case of locking the stable door after the steed is stolen. This possibility of an extreme credit expansion, a business boom, with deflation and depression to follow, is probably our most serious worry.



TRENDS IN 1936

Sharp recovery in trade and financial markets concisely discussed in current issue of The Greenshields Review.

Copy on request

Greenshields & Co.

Members Montreal Stock Exchange
Montreal Curb Market

507 Place d'Armes, Montreal

TORONTO OTTAWA QUEBEC
SHERBROOKE

GOLD & DROSS

It is recommended that answers to inquiries in this department be read in conjunction with the Business and Market Forecast appearing on the first page of this section.

NATIONAL SEWER PIPE

Editor, Gold & Dross:

I have been offered some of the class "A" stock of the National Sewer Pipe Company and I would appreciate getting some information as to just what could be hoped for from this stock. I know that it isn't paying dividends and I understand that there are some accumulations. A friend of mine who has some of this stock is quite enthusiastic about it. He says that the company is going to spend quite a bit of money in modernizing and extending its plant and he believes that one of these days there is going to develop a great demand for their products. I am inclined to believe him but I would appreciate some information as to earnings record and the company's financial position. I am a regular reader of Gold & Dross.

—T. P. W., Saskatoon, Sask.

While I agree to a certain extent with your friend's enthusiasm, I can see only moderate attraction to National Sewer Pipe class "A" stock and then only for those who can do without income and be fairly patient. I do not know of any factors likely to cause near-term appreciation for this stock and certainly there does not appear to be much possibility of distribution for some time. When prosperity does return to National Sewer Pipe I think it will do so fairly rapidly, but this will depend upon extension and renovation of municipal services and the long-anticipated upturn in residential building. In the meantime, as of December 15, 1936, there were accumulated three years of arrearages on the class "A" stock, totalling \$7.20 a share, which must receive first consideration.

Your friend is basing his optimism chiefly upon the recent announcement by the company of an expenditure of \$225,000 on plant alterations and equipment, including the removal of obsolete equipment valued at \$95,000. This is undoubtedly a directly encouraging sign as the Board would not have authorized such expenditure unless a greater business volume was directly in view and I have every confidence that the current fiscal year should show profitable operation. Since the year 1932, in which net income was \$72,030, there has been a series of deficits, including the year ended on October 31, 1936. These deficits were as follows: 1933, \$25,114 or \$0.90 on the class "A"; 1934, \$36,728 or \$1.32; 1935, \$49,076 or \$1.77, and 1936, \$47,803 or \$1.72. Despite this somewhat prolonged unsatisfactory earnings record, the company has been able to retain a very strong liquid position and dividend arrearages could be fairly easily cleaned up once operations were definitely in the black. The last report shows total current assets of \$911,297, including cash, call loans and marketable securities of over \$600,000, against total current liabilities of only \$15,726.

In addition to this strong position, the company is capably managed and well prepared to care for all business which may develop. You will understand that the series of deficits was caused by the very nature of the company's operations; municipalities in recent years have been retrenching, rather than engaging in any extension of services. However, with the trend of business definitely upward, with a large accumulated housing shortage and with tax collections rising, a new attitude will be adopted. As housing grows, sewerage service must be supplied in new subdivisions and often increases must be made to existing facilities. I would go so far as to say that the outlook for such a company as National Sewer Pipe had quite definitely changed for the better.

FORD OF CANADA

Editor, Gold & Dross:

Early in November of this year I bought some of the "A" stock of the Ford Motor Company of Canada and I was pleasantly surprised by the announcement of the 25 cent dividend, which I have now received. I was expecting this but had bought the stock to back up my belief that 1937 would be a better year for Ford. I still have this view but I would be very pleased with your opinion as to the merit of the stock for long-term holding. I am inclined to regard it as an investment now. What do you think of it from this angle and what do you think can be expected of it in the way of appreciation or dividends? Thanks very much.

—S. P. J., Montreal, Que.

I think you would be fully warranted in retaining your Ford "A" for the long term. I think that this stock can now be placed in the investment classification, the current yield is 4.54 per cent, at levels of 22, having in mind the recently announced \$1 annual basis—but previously it did not warrant this rating because of earnings fluctuations and dividend irregularity. I believe that the company is competent to maintain the new dividend rate; I do not, however, anticipate much in the way of appreciation for the stock. About the most that can be hoped for would be the declaration of possible extras if earnings warrant.

Recent announcements by the management have placed Ford of Canada stock in a much more favorable position than it had occupied for the earlier portion of the year. There had been delay in announcing a dividend due to tariff hearings at Ottawa and disappointment, in turn, followed the announcement of the 75 cent payment in July. Now, however, the company has paid a total of \$1 on account of 1936 earnings and the President has announced that full 1936 figures would be the best since 1930. In that year \$1.90 was earned and the record since has been, 1931 a deficit of 83 cents; 1932 a deficit of \$3.14; 1933, a deficit of 37 cents; 1934, \$1.43 and 1935, \$1.17. Dividends paid on the "A" stock have been as follows: 1930, \$2.10; 1931, 60 cents; 1932, nothing; 1933, \$1; 1934, \$1.25 and 1935, 50 cents. As pointed out above, it has been this irregular record which has lost the stock favor with investors.

The second announcement which gives direct evidence of the confidence of directors in better business ahead is that the company in 1937 will spend around \$5,000,000 on plant extension, bringing to a close an expansion program totalling \$8,000,000 spent, and to be spent, in 1935, 1936 and 1937. At Windsor the additions will include a huge new body and assembly plant, as well as other extensions, while an assembly plant at Vancouver will cost \$400,000 and extra warehouse space at Regina, \$50,000. That such a large program is well within the company's financial competence is shown by the last balance sheet figures. Total current assets of \$24,856,182

included cash of \$3,214,057 and marketable securities of \$9,715,200 against total current liabilities of \$2,295,232. Against plant valued at \$26,693,631, reserve for depreciation stood at \$21,172,790 and surplus at \$17,167,326.

Ford of Canada, in 1935, produced 80,164 units against 48,589 in 1934 and 70,259 in 1930, the year which Mr. Campbell has chosen for comparison with 1936. Furthermore I understand that in 1936 substantial economies in production were achieved, which should be furthered by the new plant to be constructed in 1937. Ford of Canada has for its territory, outside of this country, the entire British Empire with the exception of Great Britain and Ireland and covers as well the Dutch East Indies. In certain recent years Canadian operations have not been profitable, but the export business has been increasingly important and has yielded excellent returns. In 1937, with a choice of engine sizes offered, Ford is making a definite bid for greater sales. With better conditions both in this country and throughout the territories served, I would anticipate a substantial earnings increase.

2 2 2

KIRANA KIRKLAND

Editor, Gold & Dross:

I am sending you a purchase form to see if you approve of the way things are stated in it. It is in reference to Kirana Kirkland Gold Mines and I would like to know if you would advise me to take shares in this mine. Do you know if this is a safe company to deal with, as I do not want to lose my money as I did once before. In that case your advice proved to be absolutely right. What about this publication I send along? Can I rely on it? I come to you for help as I want to be as safe as I can. I hear that the Government has a claim on all mines. Is this true?

—D. C. B., Toronto, Ont.

You should realize that you are taking considerable risk buying stock in any of the newer mining promotions, hence if you cannot afford to lose your money, you might be well advised to leave them alone.

Kirana Kirkland Gold Mines is a recently incorporated company owning seven claims in Teck and Lebel townships, some distance from the producing section. While considerable work has been done on the property, it must still be considered in the prospect class. The "purchase form" you enclose is quite in order. I presume the information in the publication to which you refer is correct. It is put out for the sponsors of the stock to aid in financing the development of the company's property.

In connection with your question as to the government having a claim on all mines, I might state that in Ontario all Crown lands, with a few minor exceptions are open for prospecting and may be taken up as mining claims. There are no royalties on ores or minerals, but under The Mining Tax Act, a tax is levied on the net profits of a mine.

2 2 2

HARD ROCK, PRESTON, LAKE MARON

Editor, Gold & Dross:

It is just about one year ago since I came to you for advice, for which I am very thankful, as the advice proved to be very good. Now I approach you again for a brief opinion on three stocks in mines that I am holding. They are Hard Rock, Preston East Dome and Lake Maron. Could you tell me in a few words how these are doing and what the outlook is? Thanks.

—J. J. K., Milton, Ont.

Hard Rock Gold Mines has possibilities of developing into an important producer. It will be a few months yet before sufficient information will be available in the No. 2 shaft area to determine about mill construction.

Preston East Dome is an attractive speculation and if the present underground campaign substantiates diamond drill results, a mill will likely be erected.

Lake Maron Gold Mines is mentioned as going into a merger with three other companies whose holdings are chiefly in the Little Long Lac area, on the basis of one share in the new company for each four shares of Lake Maron. At the present time stock holdings of Lake Maron in other companies have an approximate value of three cents per share on the outstanding capital.

2 2 2

MONETA AND SLADEN MALARTIC

Editor, Gold & Dross:

Will you be kind enough to give me some information on two mines that I am interested in? I would appreciate some news about Moneta Porcupine and Sladen Malartic, particularly with respect to results achieved, current reports and the prospects for appreciation for the stock. Your comments will be received gratefully.

—T. K. S., Kentville, N.S.

Both Moneta Porcupine and Sladen Malartic have recently been dealt with in "Gold & Dross," but neither are yet in the stage where future earnings can be estimated. Moneta, in my opinion, is an attractive speculation. Several rich diamond drill holes opened up interesting possibilities for the property. Eliminating some of the higher assays, average values of over \$20 per ton in gold are indicated across an average of at least 14 feet in width. The liquid assets of the company are sufficient to develop the mine to the point where mill construction can be commenced.

Sladen Malartic, also has interesting speculative possibilities. It is in an advanced stage of development and a considerable tonnage of medium grade ore has been disclosed. The shaft is now being deepened to the 500 foot level. Consideration is being given to the erection of a 300-ton mill.

2 2 2

LOW-PRICED MINING STOCKS

Editor, Gold & Dross:

As a subscriber of your valuable publication I am very much interested in, and peruse very carefully, the financial section, which seems very reliable. Will you kindly give me the names of six or more cheap new mining stocks, running up to fifty or sixty cents? I do not ask you to recommend these, but just say what you think might be worth while for future speculation.

F. C. R., Fredericton, N.B.

It is extremely difficult to suggest a list of stocks selling around fifty cents, as in most cases when selling at this level they are still in the prospect class and without sufficient development to form a reason-

Attention to Investment Problems by Mail

Letters from out of town clients asking for information on investment subjects or desiring to buy or sell securities receive prompt and careful attention.

A complete investment service is available at any of our Branches

A. E. AMES & CO.

LIMITED

Business Established 1889

TORONTO

Montreal Winnipeg Vancouver Victoria New York London, Eng.

Our January Investment Booklet

CONTAINS a comprehensive year-end Review as well as a selected list of Dominion, Provincial, Municipal and Corporation securities.

Kindly write or telephone WA. 3681

DOMINION SECURITIES CORPORATION LIMITED

TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.

15 King Street West, Toronto

Investments for January Funds

Our current offerings include, in addition to Government and Municipal Bonds, a number of Public Utility and Industrial issues giving attractive yields. Some afford substantial possibilities of capital appreciation over a period.

A list will be forwarded promptly upon request.

Royal Securities Corporation

Limited

244 St. James Street
Montreal

450 Bay Street
Toronto 2

Offices throughout Canada; also in New York and London.

J. E. Grasett & Co.

Members

The Toronto Stock Exchange

302 BAY ST.

TORONTO

Waverley 4781

Branch Office: 2822 Dundas St. W. at Heintzman Ave., JU. 1167

A.J. Pattison, Jr. & Co. Limited

Established 1907

For twenty-nine years we have rendered a Standardized Service to BANKS, INSURANCE AND TRUST COMPANIES, BROKERS, INDUSTRIAL CORPORATIONS AND INDIVIDUALS

IN BUYING AND SELLING INDUSTRIAL AND PUBLIC UTILITY STOCKS AND BONDS

Royal Bank EL. 5101 TORONTO

A. E. OSLER & CO.

Established 1886

MEMBERS TORONTO STOCK EXCHANGE

Information readily supplied regarding any Industrial or Mining Stock.

Orders promptly executed on all Exchanges. Phone ELgin 3461

OSLER BLDG., 11 JORDAN ST., (Cor. Melinda) - TORONTO

AS the turn of the year approaches, our organization can be of definite service to the investor interested in the planning and maintenance of a sound and diversified investment program. Besides furnishing a year end analysis on present holdings, a copy of a brochure entitled "Ten Sound Investment Stocks" and a memorandum of five attractive junior gold stocks will be forwarded upon request.

Our organization gives particular attention to the requirements of mail order clients, and is well equipped to execute orders on all stock exchanges.

C. A. Gentles & Co.

Members

The Toronto Stock Exchange
The Montreal Stock Exchange
Canadian Commodity Exchange

337 Bay St. TORONTO
270 St. James St. W. MONTREAL
Adelaide 1012 RJ area 4881



Prospectus and semi-annual report of Canadian Investment Fund Ltd. obtainable from your own investment dealer.

CALVIN BULLOCK, LTD.

EAST MALARTIC SLADEN MALARTIC

Latest Information Upon Request
Waverley 3461

BRIDGER HEVENOR & CO.

Members TORONTO STOCK EXCHANGE
60 KING ST. W. TORONTO

CANADA'S GROWTH

Canada's greatness is the result of generations of growth. By safeguarding savings; by promoting confidence; by stimulating construction; by encouraging thrift, the Canada Permanent Mortgage Corporation has contributed to Canada's sturdy growth for more than 81 years.



CANADA PERMANENT Mortgage Corporation

HEAD OFFICE: 390 BAY ST., TORONTO
ASSETS EXCEED \$69,000,000

Established in 1889
J. P. LANGLEY & CO.
 C. P. ROBERTS, F.C.A.
 Chartered Accountants
 Offices
 TORONTO — KIRKLAND LAKE

GLOBE
 ENVELOPES
 Makers of Wall Gammal Envelopes
 360 ADELAIDE STREET WEST-TORONTO

MINES

BY J. A. MCRAE

LEITCH GOLD MINES, situated in the Sturgeon River area, will be the first new gold producing mine to be established in the province of Ontario during 1937. This mine will go into production early this month.

Leitch Gold has been equipped with a mill designed to handle 75 tons of ore per day. The ore is estimated to carry over \$35 per ton. The plant will probably start off at 50 tons per day. The preliminary estimates suggest profits amounting to over \$20 to the ton, or a rate of \$1,000 to \$1,500 per day. This points toward profits of 13 to 20 cents per share annually.

Leitch Gold may represent the first challenge to Pickle Crow for the distinction of being the highest grade gold producing mine in Canada.

Howey Gold Mines will pay a dividend of 2 cents per share on Feb. 1.

San Antonio has proved a length of nearly 300 ft. of ore in vein 36 at the 150 ft. level, with values averaging \$15 across eleven feet.

Macassa and Kirkland Lake have been unofficially mentioned in mining circles for the past couple of weeks in connection with rumors suggesting a consolidation on a basis of 10 shares of Kirkland Lake for one share of Macassa. This would simplify the problems of both enterprises, both in regard to milling and shaft facilities.

Split Lake has encountered a porphyry body of importance intruding into the area to the immediate north of various veins. A number of veins are dipping toward the porphyry. The diamond drill program calls for intersection of some of these veins at points where the veins are expected to occupy the contact with the porphyry. The management attaches importance to this development.

Copper consumption is increasing at such a pace as to suggest a famine for the metal. Stocks of copper on hand promise to be quite insufficient to meet the demand. Consumers are bidding the price up. Necessity will probably find its own solution through higher bids for copper encouraging low grade mines to operate. Work resumption is slow process, however, and the signs point toward still higher prices for the metal before demand may be filled.

Pickle Crow is finally in a position to extend scope of operations toward greater expansion than anything previously suggested. Work has been restricted because of limited power. Now, however, an adequate amount of hydro-electric energy has been made available.

Pickle Crow has been concentrating effort on development of the central section of the mine and enlargement of the mill. The plant will treat about 300 tons per day by early spring. The output is then expected to reach a rate of very close to 10,000 per day, and capable of being tuned up to nearly 12,000 per day. On the grade of ore recently prevailing, around \$33 per ton, the operating profit with such a plant would amount to around \$2,000,000 a year, or \$1 per share annually. With this outlook as a background, and with a full supply of motive power now available, importance is attached to plans to extend the scope of underground work so as to embrace parallel deposits as well as lateral extension of the main vein system. It is in this direction where the prospect lies for still further enlargement.

Pascalis Gold is to be explored through an arrangement which permits lateral work to be extended into the property from the adjoining Perron Gold Mines.

The Canadian mining industry spent approximately \$100,000,000 during 1936 for supplies, power, transportation, etc., according to a preliminary estimate prepared exclusively for this paper. This compared with an expenditure of over \$81,000,000 in 1935. In addition to this, the mines of Canada disbursed very close to \$80,000,000 in dividends during 1936, as compared with \$59,000,000 during 1935. This clearly illustrates the growth taking place. The achievement is one which has caused new endeavor to become intensified, to the end that the outlook for 1937 is brighter than that of any previous time in the mining history of Canada.

Preston East Dome will complete sinking to 300 ft. in January. The surface construction is finished, and after the end of January the lateral developments will be extended out into the orebodies.

O'Brien Gold is enlarging its mill to a rate of 150 tons per day. It has been estimated this may show a profit of \$100,000 per month, or possibly \$1,000,000 a year after taking care of all contingencies. As the company is capitalized at 1,000,000 shares, and has 3,250,000 shares outstanding, the recent quotations of \$14 per share place a value of more than \$45,000,000 on the

(Continued on page 23)

GOLD & DIAMONDS

ably fair picture of their possibilities. I have previously mentioned Harker Gold Mines and Bobjo Mines Limited, as holding some appeal for the speculator, as in addition to their property, they have stock holdings in other companies. Brett-Tretheway Mines also falls in the same category. May-Speirs Gold Mines is at an interesting stage in its development at the present time. Kenricia Gold Mines, while perhaps above the price you desire to pay, is an attractive prospect in the Lake-of-the-Woods area. Bagmac might prove interesting in that further development is planned for its property adjoining Noranda Mines and it is also interested in the financing of Frontier Red Lake Gold Mines.

POTPOURRI

P. A., Neepawa, Man. GATINEAU POWER 5's of 1936 are currently quoted at 102 to 105 and in my opinion these constitute a high-grade security. You are familiar, no doubt, with the history of the cancellation of the Quebec Power contracts by the Province of Ontario, an affair which is once more in the public eye. In the case of Gatineau, however, following cancellation of the original contract a new contract was executed by the Ontario Hydro Electric Power Commission with the Gatineau Company and while the taking of power by Ontario was materially reduced, nevertheless income for Gatineau was quite sufficient to cover requirements on both the senior 5 per cent and on the 6 per cent debentures. In addition, Ontario Hydro Electric has quite recently increased its taking from Gatineau under a provision of the contract, and has thus additionally increased the margin of coverage for Gatineau over interest requirements.

D. G. H., Rock Island, Ont. When you purchased shares of SOUTH MCKENZIE ISLAND MINES, the company apparently was counting on better results at depth. Disappointment, however, was met with in its diamond drilling campaign and with a view to conserving finances all operations were suspended until next spring. Channel samples for a distance of about 150 feet along the break from the Gold Eagle boundary assayed up to \$7 a ton. Short drill holes did not bring a realization of the hope of better widths and values at depth.

O. W., Toronto, Ont. ACME FARMERS DAIRY preferred is currently quoted at \$42.50 bid. Dividends on this preferred are in arrears since Jan. 1st, 1933. Acme Farmers Dairy is controlled by Eastern Dairies Limited, which itself has had an unsatisfactory earnings record for quite a number of years. Acme Farmers Dairy Limited for the year ended March 31st, 1936, reported a net loss of \$31,406 as against a net profit of \$32,427 in the preceding year. The company's balance sheet showed total current assets of \$258,571, including cash of \$107,820, against total current liabilities of \$185,236. I have not heard any interim reports for the current year but I do know that the company's taxation was increased and that the dairy product distributors have not as yet been able to solve satisfactorily their many problems. I do not know of any prospect for immediate resumption of preferred dividends.

S. A. D., Brampton, Ont. Your holdings of LA CHATELIER GOLD MINES do not appear to have any present value. The company owns two groups of claims in Quebec, but were inactive according to the last report.

M. J., Toronto, Ont. I regard bonds of the Provinces of MANITOBA, SASKATCHEWAN and BRITISH COLUMBIA as fairly attractive buys at current levels. I do not think that any direct repudiation of either interest or principal will occur in connection with these provincial bonds, and I think it likely, as well, that appreciation will occur from present levels as general business conditions throughout Canada, particularly in the Provinces mentioned, continue to improve. Naturally, whenever possible, Government bodies will take advantage of current lower interest rates to refund, but certain of these provincial issues are available today at prices and rates which provide very attractive yields.

F. P. W., Toronto, Ont. While the BRAE BREEST GOLD MINES property in the Lake of the Woods area is still in the prospect stage, there appears to be a reasonable possibility of proving up a commercial deposit of ore. The mineral deposit has certain characteristics which are extremely encouraging and deeper drilling may reveal the desired condition. Diamond drilling to date has been shallow. Values, although low in the main porphyry mass, are said to be widely disseminated.

T. G. W., Little Britain, Ont. DENISON COPPER MINES with holdings in the Sudbury area is inactive according to our records.

W. H., Hamilton, Ont. The reason you received a 10 cent per share return of capital on the stock which you hold in SPOONER OILS LIMITED, is that on August 1st of this year, shareholders approved a by-law reducing the authorized capital from 1,000,000 shares of \$1 par value to 1,000,000 shares of 90 cents par value. The distribution is, then, exactly as described, "a return of capital". Operations of Spooner Oils Limited for the 16 months ended April 30, 1936, resulted in a loss of \$11,837 which was increased to \$23,411 by special legal fees and disbursements of \$11,571. The company's balance sheet showed current assets of \$171,960, including cash of \$170,746, against current liabilities of \$24,100. With the company's assets in such a liquid position, this would not indicate any particularly extensive holdings. I am informed, however, that the company is interested in the Turner Valley. What the outlook will be I cannot say, as there has been no current information issued.

N. C. A., Picton, Ont. PORCUPINE WATBORN GOLD MINES is understood to be seeking another property at the present time. Its Porcupine holdings are not being worked. Seven drill holes were completed on its eighty acres in Whitney township but only two gave encouragement. Three holes gave fairly good widths but no section averaged out to ore. The company also holds 120 acres north of Thunder Bay, however, a preliminary examination did not hold much promise for the ground. No official announcement has been made as to whether further work will be done on the Whitney township property.

P. T., Orillia, Ont. The 7 per cent preferred stock of EASTERN THEATRES LIMITED, currently quoted at 85 asked, cannot be placed in the investment classification as the yield of 8.2 per cent, indicates. The reason for this, of course, is that the year ended December 26, 1935, showed the company's operating income as having declined to \$40,790 as against \$81,491 in the previous year. Net last year was \$8,499 against \$40,042 in 1934, and per share on the preferred last year amounted to \$1.70 as against \$8.01 the previous fiscal period. As a matter of fact, the earnings record on the preferred has been somewhat erratic for years. In 1933 the per share figure was \$3.92, in 1932, \$19.64, in 1931, \$37.44 and in 1930, \$10.76. Obviously, in certain years, surplus has

been called upon to maintain the regular preferred dividend payments. Last year the surplus was reduced by \$15,974 and at the close of last fiscal year profit and loss surplus stood at \$113,470. Despite the necessity for these reductions, the company has been able to maintain a strong liquid position. The last balance sheet showed total current assets at \$233,311, including cash of \$7,573 and marketable securities of \$217,500, and total current liabilities of only \$4,139. The company, which operates the Imperial Theatre in downtown Toronto, is a subsidiary of Famous Players Canadian Corporation Limited, which company owns about 94 per cent of the common stock of Eastern Theatres. No interim figures have been issued as to 1936 figures, but it seems reasonable to me that theatre attendance should have been up and that earnings should have shown some improvement over last year.

S. H., Toronto, Ont. Under the 1936 reorganization of DONNA CONA, interest payments were begun on the new bonds, and it is currently believed that the company should be able to cover the interest requirements, as outlined, without difficulty. The increase in price for newspaper announced for 1937 should aid, and furthermore the company some time ago completed a contract with the Hearst interests, covering the next 5 years, which is reported to assure 100% capacity. Under these circumstances, therefore, I think it more than probable that full interest requirements on the new bonds will be covered. The company's report for 1936 should produce a further important guide in determining the investment calibre of the senior issue.

T. H., Oshawa, Ont. Ore has not apparently been developed at J. M. CONSOLIDATED GOLD MINES as fast as expected and the outlook in this regard is more or less uncertain. Milling was resumed last August with the new 100-ton mill and production is running about \$30,000 monthly. It is estimated that about 15,000 tons of ore, grading between \$11 and \$12 is blocked out above the 250-foot level. Ore has also been developed in short lengths on five levels to a depth of 625 feet in another section of the mine. The property, however, has possibilities beyond those revealed as exploration and development continues.

G. Y., Brampton, Ont. I think the stock of CANADA PERMANENT MORTGAGE, currently selling at 148, paying 8% and yielding 5.4%, can be regarded as a satisfactory investment. Not only is Canada Permanent one of our largest and strongest mortgage corporations but its earnings have covered dividend requirements by a satisfactory margin, 1935 figures being \$9.61 per share earned, as against the \$8.00 distribution. On the other hand, as I think you will recognize, conditions of recent years have militated against satisfactory earnings by mortgage corporations due to a variety of causes, from outright repudiation of obligations to various moratoria laws, and debt adjustment legislation. Nevertheless, after a number of years of experience with these factors, the larger companies at any rate have been able to readjust their investments on a more satisfactory basis and I do not think that any major losses will accrue to the more conservatively managed companies as a result. Another factor, of course, is the current low interest rate on money, which again makes it difficult for companies with funds to invest to earn a satisfactory return. This has been compensated for to a certain extent by the lowering of interest paid on the funds on deposit with the companies.

D. A., Mississauga, Ont. As it appears that YMER YANKEE GIRL GOLD MINES is now working back to normal production, it is reasonable to expect a maintenance of dividends unless the management decides to build up the cash position. As at July 1, current and working assets totalled \$141,798, as against current liabilities of \$87,719, which included the second dividend of \$66,750. The dividend policy is an interim one with six cents a share having been paid this year. A noticeable improvement was apparent in October production which was estimated at \$36,450, as compared with \$21,700 in September. Grade in October was appreciably better than in the previous month and indications are that there will be a further chance for the better in grade and tonnage. The drop in output followed the milling of considerably low grade ore from development faces in the new low workings.

L. H., Toronto, Ont. The current yield of 4.21% on WALKER'S is attractive and in addition the company's last statement showed earnings of \$6.56 per share, or more than three times current dividend rate, as against \$1.15 per share in the previous year. I understand, furthermore, that in the current fiscal period earnings have also continued to show satisfying gains. I would not consider the present to be a particularly attractive time for sale.

M. J., Victoria, B.C. While the regular quarterly dividend of 20 cents, has been declared by the directors of PIONEER GOLD MINES OF B.C., payable January 2, the future dividend policy of the company is dependent on production, as cash reserves are to be maintained. Profits declined when a large depth development program was undertaken, but indications point to the likelihood of the mine again reaching its old production rate next year. Results on the new levels are proving quite satisfactory. PREMIER has disbursed 16 cents per share this year as against 13 cents during 1935. It is becoming a holding company of importance and its shares appear to be well worth retaining.

A. W., Oakville, Ont. In my opinion IMPERIAL OIL common remains an attractive buy. You will observe that the company has again declared the regular dividend of 50 cents together with the extra of 75 cents and the yield at current levels is therefore exceedingly satisfactory. You are aware, no doubt, that by far the larger proportion of Imperial Oil's income is derived, not from its operations in Canada, but from dividend payments from subsidiaries, chiefly International Petroleum. During the current year I understand that Imperial has been able to maintain its proportion of domestic sales, and that its income from subsidiaries has also been at high levels. Imperial, as an important subsidiary of Standard Oil of New Jersey, is an important unit in Standard's practically world wide system of production and distribution of petroleum products. Imperial itself occupies an exceedingly strong position in Canada, and in my opinion is likely to maintain this relative importance.

J. C. P., London, England. Inactive for six years, RITCHIE GOLD MINES, with a property in the eastern section of Kirkland Lake, is now being explored under an examining option by Consolidated Mining & Smelting Company. It results are satisfactory a new 7,000,000 share company is to be formed in which Ritchie will receive 1,000,000 shares.

C. R., Montreal, Que. COMMONWEALTH PETROL EUM LIMITED, incorporated under Dominion Charter on March 26th, 1926, has currently been showing some market activity because of the new interest in the properties adjoining the Turner Valley. Commonwealth itself did not meet with success in Turner Valley operations, and in 1931 became practically a holding company with interests in other oil and some mining companies. The company controls some 19,000 acres of potential oil lands and following the resumption of interest in the western fields is also engaging in operations on its own. Shares of the company are undoubtedly speculative, as it is to be expected from the nature of its operations, but I would suggest that you retain them currently.

S. W. E., Vancouver, B.C. CONGRESS GOLD MINES gives promise of developing into a large low-grade gold producer. I have no recent information on low development program which was to follow the installation of a complete new electrically driven plant. However, a recent report is to the effect that the French interests who are financing B.R.N. operations have been asked to examine the property.

H. O. H., Gore's Landing, Ont. PORCUPINE CROWN MINES is a holding company, and although the stock is speculative it would appear fairly promising for a hold. Production from GOMAK MINES, which it controls, is now estimated at about \$30,000 a month from a 50-ton mill. At a depth of 85 feet a drive is underway to the new shaft site where sinking will be carried to 500 feet and four levels established.

Province of Ontario

Increasing Revenue—Decreasing Expenditure

During the eight months ended November 30th, 1936, gross ordinary revenue of the Province of Ontario increased by \$12,113,373 over the similar period last year, according to Provincial statements, while gross ordinary expenditure decreased by \$3,413,093, resulting in an improvement of \$15,526,466 in the Province's position.

Province of Ontario

3% Debentures

(Non-Callable)

Due December 1st, 1951

Price: 99.75 and interest, to yield 3.02%

Descriptive circular available upon request

Wood, Gundy & Company

Limited

Toronto Montreal Winnipeg London, Eng. 36 King Street West Toronto Telephone, ELgin 4321 Ottawa Hamilton Vancouver London, Ont.



Quarterly Review

of Canadian Business

A statistical summary of Canadian business to November 30, 1936, together with an article on the Canadian security markets. Write for a copy.

McLEOD, YOUNG, WEIR & CO.

LIMITED

Metropolitan Building, Toronto

Ottawa Montreal Telephone, ELgin 0161 London Hamilton

YEAR-END

VALUATION OF SECURITIES

The Year 1936 Has Seen Many Changes

IN SECURITY VALUES

We Will Be Glad to Make An Up-To-Date

Valuation of Your Security Holdings

ALLAN B. FISHER LIMITED

INVESTMENTS

TORONTO

806-9 Star Bldg.

Elgin 5111

W. C. PITFIELD & COMPANY

LIMITED

Investment Dealers

HEAD OFFICE: 235 ST. JAMES ST. WEST

MONTREAL

Offering a Complete Investment Service

Direct wire from Halifax to Vancouver, connecting with New York.

Branches:

TORONTO HALIFAX OTTAWA VANCOUVER QUEBEC LONDON, ENGLAND SAINT JOHN KINGSTON, JAMAICA

MOOSHLA

This Company is now entering a very important stage of development, with the third level crosscut expected to cut the vein any day.

Following completion of the crosscut, drifting on at least two of the three levels will be proceeded with as rapidly as possible in order to determine the extent of the high-grade ore which has already been cut at the 115 and 250 foot levels.

Complete information on request.

DRAPER DOBIE & CO.

MEMBERS THE TORONTO STOCK EXCHANGE

430 BAY ST. TORONTO



LET COME WHAT MAY

... Life Insurance is the surest defence against the unpredictable storms of human stress and need.

War — Pestilence — Economic Disaster — all have failed to weaken this great cooperative agency of mutual protection. That is why you should join the family of One Million Policyholders who through the Sun Life of Canada, have safeguarded themselves and their loved ones against the calamities common to mankind.

SUN LIFE OF CANADA



ABSOLUTE SECURITY
W. R. HOUGHTON, MANAGER

The Wawanesa Mutual Insurance Company
Canada's Largest Fire Mutual

A leading All-Canada Company — in volume, in strength, and in service to "select" property owners and agents.

Home Office, Wawanesa, Man. Eastern Office, 541 Church St., Toronto. Branches in Vancouver, Edmonton, Winnipeg, Montreal, and London.

FIRE, WINDSTORM, AUTO, CASUALTY

United States Fidelity & Guaranty Company
TORONTO

STANDARD LIFE BONUS RECORD

DURING each of the last ten years the Standard Life Assurance Company has declared a 42 per cent annual dividend to its policyholders. This year the dividend will be 45 per cent. The total amount of dividends paid to policyholders since 1927 is \$11,048,925. The company's surplus is \$14,974,112. The Government deposit is \$10,000,000. The company is a Canadian policyholder's favorite.

The Canadian directors of the company are: Dr. P. H. Adams, chairman; Sir Charles Gordon; P. E. McNeill; R. C. Walker; and A. E. Bailey. W. H. Clark, secretary, is manager for Canada.

NOTICE TO READERS

Saturday Night's Insurance advice service is for the use of bona-fide mail subscribers only. Saturday Night regrets that it cannot answer inquiries from non-subscribers.

Each inquiry must be accompanied by the address label attached to the front page of each copy of Saturday Night sent to a regular subscriber and by a stamped, self-addressed envelope.

Each letter of inquiry should refer to one subject only. If information on more than one subject is desired the sum of fifty cents must be sent with the letter for each additional question.

Inquiries which do not fit the above conditions will not be answered.

Concerning Insurance PENSION YOURSELF

Earlier in Life You Start the Less it Costs to Make Provision For Adequate Retirement Income

BY GEORGE GILBERT

WHILE the employees of some corporations, colleges, churches, municipalities and governments occupy a preferred position in that they are reasonably assured of receiving a pension of a certain amount when they reach retirement age, there is no question that the great majority of workers must look out for themselves in that respect. If they are to be sure of having an income after their working days are over, they must make provision for it beforehand out of their own resources.

How are they to do it? In plain terms, they must begin early to save regularly such sums as they can, and they must keep on doing so. All the actuarial experts on earth cannot improve on this method. No wizard of finance has anything better to offer to the great majority of working men and women who have to make their own way in the world.

Although now and then exceptional profits are made by an individual in stock speculation, in a real estate or mining deal, or even in the ordinary run of business transactions, in the long run saving wins out over speculation for ninety-nine out of every hundred persons who are seeking a solution to the problem of providing an income for their later years.

For the great mass of even well-paid and fairly prosperous persons, their current income never greatly exceeds their current style of living, and the retirement income problem is always facing them. They must find some method of investment or saving for the future which does not call for any large outlay at one time. In other words, they must purchase their financial independence on the installment system.

INVESTMENT houses have for some time been urging the purchase of bonds and other interest-bearing securities on the ground that people should not depend upon their earnings alone, but should build up a second income through the acquisition of such securities. There is no doubt that two incomes are better than one, but the trick is to find the ready money with which to buy the bonds.

There must be persistent saving in every year. In most cases, if the funds are to be in hand to take advantage of these investment opportunities, it has been pointed out before that one of the inherent financial tragedies of life is that young men, as a rule, are not interested in getting a second income built up, while middle-aged men, though keenly interested, frequently have not the time left in which to save enough for the purpose.

To a young man starting out on his business or professional career everything generally looks clear ahead, and he believes that he will be always able to earn enough to take care of his requirements. He fully expects to realize his ambitions and to become financially independent if not a person of great wealth. But usually he has no well thought out plan for the accomplishment of his objects in life.

Besides the lack of a definite plan, the young man has also the hazards of sickness, accident and death to contend with, though a young person in the present enjoyment of physical vigor and good health these hazards will appear to be of little importance. But whether he is aware of it or not, the odds are already heavily against him in the race for business and financial success.

HERE is a case where insurance can be utilized to great advantage. It will furnish the young man with a systematic savings plan for the entire earning period of his life, a plan which will provide an income to take care of him in his declining years; an unshrinkable estate for his family in the event of his death, which will provide an annual income until the children are grown up, and educational opportunities to fit them to make the best use of their time and talents.

Life insurance has often been described as "good protection but no investment." Often a person will say: "It's all right if I die, but how much more could be done with the money if I put it into a good investment?" Primarily, life insurance is protection, but it is likewise well adapted not only to provide fully for the financial emergencies that arise if a man dies, but also to take care satisfactorily of his future needs if he lives out the most lengthy life span.

It is a fact that very few investors will obtain as good a return on the money they place in the mill-rim of securities through ordinary investment channels over a lengthy period as they will receive on the money they put into life insurance. In the case of inexperienced investors, the probabilities are that they will not be nearly as well off as if they had put their money into life insurance. Many indeed will be much worse off, through the loss of principal in poor investments.

As far as safety of investment is concerned, life insurance in sound institutions furnishes absolute security. When compared with other savings-investment plans, it offers the following advantages: 1. Spreads the savings effort over a lengthy period; 2. Judiciously combines savings with protection; 3. Insures the savings period against premature termination by death; 4. Provides for purchase on installment system, with guaranteed that all future installments will be cancelled and the principal fully realized in the event of the death of the purchaser before the end of the installment period.

A young business man or woman of twenty-five or thirty, by paying ten or fifteen dollars a month to a life insurance company for a retirement income policy, will have a pension of \$50 a month from age 55 on, or a larger monthly income if he or she can keep on working into the sixties. But the average young man or woman is more interested in the size of the weekly or monthly pay cheque than in making contributions in order to receive a benefit in the distant future. Early in life, saving for old age is not a strong motive, though the idea of putting something by for a rainy day or to raise the standard of living does make an appeal.

Old age seems so far off to young people that it is not taken into their calculations, while present pleasures bulk large in their thoughts. Not to be able to have new clothes when they would like to get them, or to go to a show or party or on a pleasure trip, is at 48 or 50 a cause of real bitterness, but it is different at age 48 unless the person of that age has the mentality of eighteen.

While it is usually too late at age 48 to make adequate provision for retirement income out of ordinary salaries or wages, it is difficult to interest those at age 28, not to mention those at 18, in a pension proposition. That is why employers and leaders of youth have a duty to inculcate thrift habits in the younger workers because, being



F. S. McDERMOTT, recently appointed Manager at Toronto of the Liverpool and London and Globe Group of Companies, succeeding R. Forster Smith, who became Manager for Canada of the Royal-Liverpool Group, with Canadian head office at Montreal.

older, they see the need of saving and understand why it must begin at an early age if it is to accomplish the best results.

Although it is generally too late after age 48 to save enough to provide a pension for oneself, it is not impossible if a person's income increases materially in middle life and more of it is saved relatively as well as absolutely. While a young man may be able to pension himself by devoting ten per cent of his income to the purpose, the older man can reach the same goal by saving thirty-five or forty per cent of his earnings.

EUGENE FIELD MEMORIAL

AN INSURANCE man, Jesse P. Henry, of Daniel & Henry, general insurance agents, St. Louis, Mo., was largely instrumental in saving the birthplace of Eugene Field, the famous poet, from the wreckers. He conceived the idea of renovating the building at 634 South Broadway, St. Louis, and making of it a permanent memorial which should be owned by the Board of Education and become a part of the public education system. With the support of the City Superintendent of Instruction, the structure has been transformed from a dingy abandoned dwelling into a bright, attractive landmark.

While the building itself recalls the period of the poet's birth in 1850, the furnishings largely bring back the time of his literary prime in Chicago in the years preceding his death in 1895. Electric lights, steam heat and automatic sprinklers for fire protection are a necessary but inconspicuous anachronism. Though the place has been modernized to some extent by strengthening walls, the lines of the original Field home have been preserved. Fireplaces have been restored, special wallpaper procured, floors and woodwork refinished and painted, and several chandeliers used in Sabine Farm, the poet's home near Chicago, are being utilized.

Museum cases run through the first floor rooms in which are being placed a large number of articles that belonged to Field and articles pertaining to him and his work that were obtained recently from his family and friends. They range from valuable manuscripts and photographs and books down to Field's old gas receipts, toothbrushes and stiff cuffs. Some things recall his days as a newspaper man in St. Louis and elsewhere.

PEDESTRIAN LIABILITY

UNDER the Belgian Highway Code, pedestrians' liberty to walk where and how they like has been restricted, and jaywalking can involve them in claims for third-party damage. A new market for pedestrians' third-party insurance has thus been created and several companies have issued tariffs for this class of risk. According to Le Petit Moniteur des Assurances, La Brabançonne charges a premium of fr. 15 per annum for an insurance covering pedestrian third-party liability up to fr. 20,000 for personal injury and fr. 10,000 for property damage. The premium is raised only fr. 5 to fr. 20 for an increase in the liability to fr. 100,000 for personal injury and fr. 25,000 for property damage.

RECIPROCAL IN MISSOURI

UNDER recent date the Insurance Commissioner of Missouri has issued the following Departmental Order to all reciprocal and inter-insurance exchanges doing business in the State of Missouri:

"It has recently been brought forcibly to the attention of this Department that the difficulties in which certain reciprocal or inter-insurance exchanges have found themselves have been caused largely from the writing of business on an inadequate rate basis. Some of the difficulties have also been caused by various attempts made to write so-called non-participating and non-assessable policies of insurance like-wise on an inadequate rate basis.

"In order to more fully protect the interests of those subscribers renewing their contracts of insurance in the future and also those who may become subscribers, and in the interests of solvency of such exchanges, it is hereby ordered that each of the exchanges now doing business in the State of Missouri, shall within thirty days from and after the date of this Order comply with the following rules and regulations in connection with the issuance of contracts of insurance or the exchange of indemnity agreements by and between subscribers, namely:

"1. The attorney-in-fact for each of such exchanges shall be required to obtain a written power of attorney executed by each of the subscribers and have the same in his or its possession before any contracts of insurance

A Business Man's New Year's Resolution

Henceforth, I shall rigidly scrutinize the ethics and reliability of the companies with whom my insurance is placed. The Union Insurance Society of Canton, Ltd., invites the sharpest investigation of its record and its sane, safe and sound insurance practice.

UNION INSURANCE SOCIETY OF CANTON, LTD.

ESTABLISHED 1835

HEAD OFFICE TORONTO

ASSETS \$31,000,000.00

COLIN J. SWORD, Manager for Canada
J. W. BINNIE, Associate Manager (Montreal)

NEW YORK UNDERWRITERS INSURANCE COMPANY

CAPITAL—FULLY PAID \$2,000,000

ASSETS, \$7,275,200.96

A. & J. H. STODDART, General Agents

90 JOHN STREET

NEW YORK CITY

RISKS BOUND EVERYWHERE IN UNITED STATES AND CANADA

H. A. JOSELYN, SUPERINTENDENT FOR CANADA—TORONTO

PROVINCIAL AGENTS

MURPHY, LOVE, HAMILTON, and BASCOM, TORONTO

R. Y. HUNTER, MONTREAL

OSLER, HAMMOND and NANTON, Ltd., WINNIPEG

ALFRED J. BELL & CO., Ltd., HALIFAX, N. S.

FRANK R. FAIRWEATHER & Company, ST. JOHN, N. B.

One Hundred and Forty New Years

One hundred and forty times the Happy New Year's Chimes of Old Norwich Cathedral have rung out over the ever growing prestige of the Norwich Union Fire Insurance Society, Limited. Older, Stronger, Better, year by year, this time-tested Institution goes on making an enviable history.

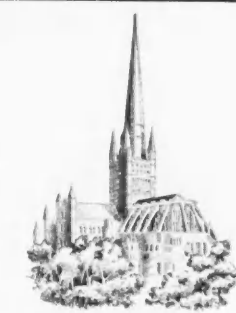
E. M. WHITLEY,

General Manager for Canada

F. W. LAMONT,
Assistant Manager

C. C. PAULL,
Assistant Manager

Head Office for Canada
TORONTO



NORWICH
UNION
FIRE INSURANCE
SOCIETY LTD.

Does your Fire Insurance DIVIDENDS?

BRANCHES:
Toronto
Hamilton
Ottawa
Montreal
Quebec City
St. John
Halifax
Winnipeg
Saskatoon
Calgary
Edmonton
Kelowna
Victoria
Vancouver

Under the Northwestern Mutual plan, the annual surplus or profit is paid back to policyholders in the form of dividends. These amounted last year to \$1,098,428. Ask our nearest office for particulars.

**NORTHWESTERN MUTUAL
FIRE ASSOCIATION**

Non Assessable Policies Assets \$6,000,000.



THE BRITISH and COLONIAL UNDERWRITERS

LIMITED

FEDERAL BUILDING, TORONTO, ONT.

WA. 5780

Represented at Lloyd's

Fire and Casualty Insurance, anywhere in Canada, effected at Lloyd's London-England

Attractive Contracts

Correspondence Solicited

Sickness and Accident Protection for Masons

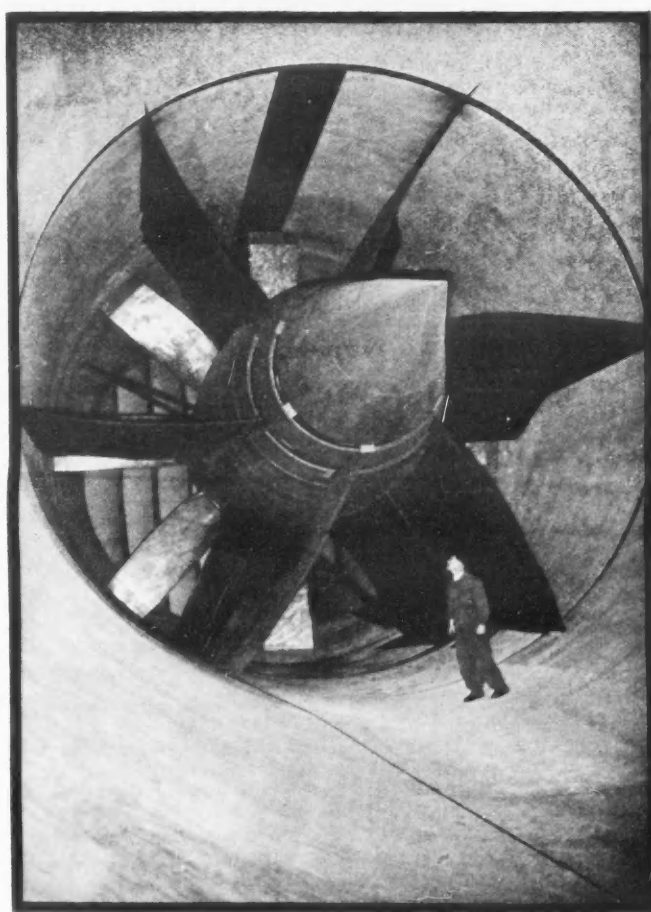


Unusually attractive policies offering adequate indemnity at very favourable rates. Issued by the only all-Canadian company providing insurance against sickness and accidental death, exclusively for members of the Masonic fraternity. Agents in all principal cities and towns of Canada.

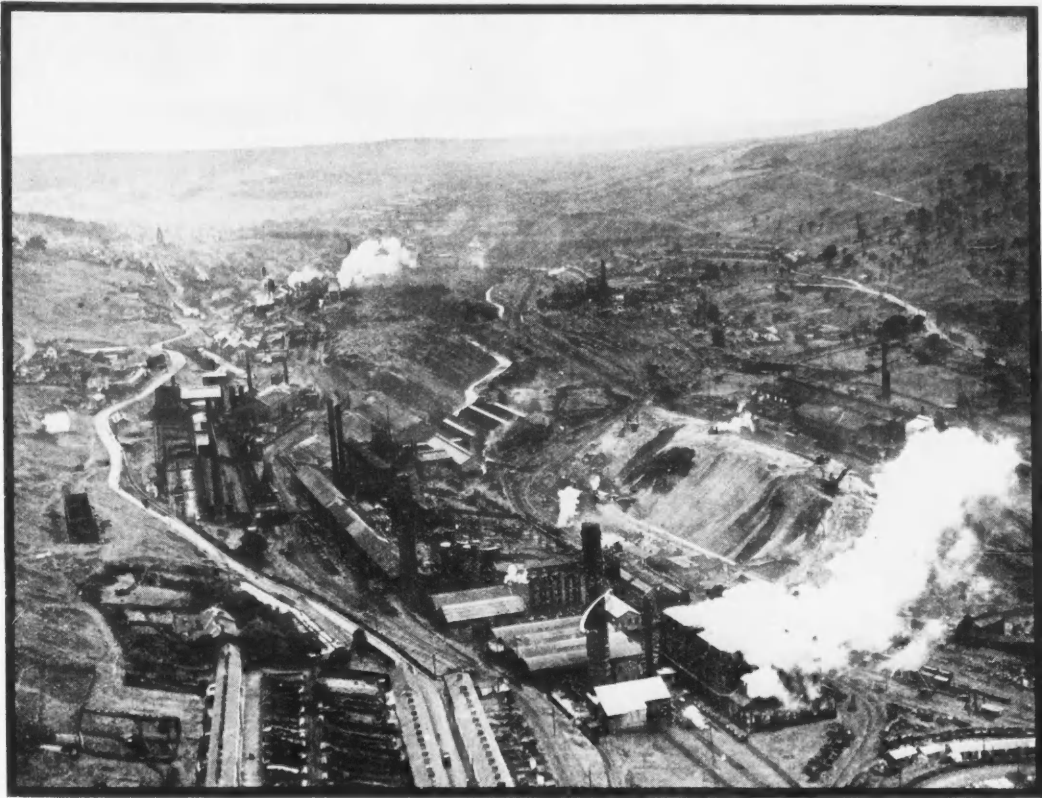
Head Office—GRANBY, QUE.

**The Protective Association
of Canada**

5/N



FOR TESTING GERMAN WAR AIRPLANES. A wind-tunnel in which tests of an actual airplane or parts thereof can be made has been built at the German aircraft testing station at Berlin-Adlershof. It is built of steel and reinforced concrete and can deal with aircraft up to a 60-foot span. England has a similar, but smaller, wind-tunnel, used for testing airplane models.



OPEN FOR THE FIRST TIME SINCE 1929. An air view of the large iron and steel works at Ebbw Vale, Monmouthshire, England, which is currently reflecting that nation's industrial progress. About 800 men, mostly formerly unemployed steelworkers, are now engaged in work preliminary to plant additions and the recommencement of operations.

ance of any kind or description shall be issued or renewed to such subscribers; further that such a power of attorney must likewise be obtained from each company, association, or group of individuals which cedes any reinsurance to the exchange.

2. Copies of the power of attorney now or hereafter used must be filed with the Superintendent of the Insurance Department of the State of Missouri, together with copies of all policy contracts issued or inter-exchanged.

3. In the event any reciprocal or inter-insurance exchange changes or revises its power of attorney, the attorney-in-fact shall immediately require all subscribers, both old and new, to execute the new power of attorney in the possession of the attorney-in-fact shall at all times be identical.

4. No exchange shall be permitted to renew or issue or inter-exchange non-participating and non-assessable contracts of insurance.

5. All fire and lightning, tornado, windstorm and hail, and hail on growing crops rates and rules must be filed with this Department in accordance with Section 5860 Revised Statutes of Missouri, 1929, and such rates and rules must be maintained.

6. All daily reports covering on fire and lightning, tornado, windstorm and hail, and hail on growing crops insurance must be passed through, and audited by, the Missouri Audit Bureau, St. Louis, Missouri.

7. You are hereby directed to immediately proceed with the necessary arrangements to file all required rates and rules with this Department either through an organized rate-making agency or directly from your company, and also furnish evidence of your membership in the Missouri Audit Bureau, Pierce Building, St. Louis, Missouri.

LIFE INSURANCE SALES UP

SHOWING increases in eight of the nine provinces, November sales of new, ordinary life insurance in Canada, and Newfoundland, exclusively of group insurance and of annuities and pension bonds, totalled \$37,813,000. This is the best record of any month this year and an improvement of 7 1/2 per cent. over November, 1935. Ontario, with sales of over \$16,000,000, and Quebec, with nearly \$10,500,000, were up 3 1/2 and 9 1/2 per cent. respectively, but the highest percentage improvements were in Alberta, up to 10 per cent., and Saskatchewan, up 29 per cent. British Columbia showed an improvement of over 8 per cent., and increases in the Atlantic Provinces ranged from 8 per cent. to 14 per cent.

Based on returns from companies having 90 per cent. of the business in force, November sales by Province, as compiled by the Life Insurance Sales Research Bureau, and given out by the Canadian Life Insurance Officers' Association, are as follows: British Columbia, \$2,835,000; Alberta, \$1,750,000; Saskatchewan, \$1,704,000; Manitoba, \$2,059,000; Ontario, \$16,159,000; Quebec, \$10,461,000; New Brunswick, \$979,000; Nova Scotia, \$1,134,000; Prince Edward Island, \$150,000; Newfoundland, \$279,000; Total, \$37,813,000.

LONDON LIFE

CONSOLIDATING its Montreal organization in the interests of maximum efficiency, the London Life Insurance Company has recently opened an industrial branch office at St. Catherine Street West and Guy Street, under the management of S. S. Jacobson, who was formerly in charge of the branch at 5675 Park Avenue. At the latter office, in the Montreal City and District Savings Bank Building, A. Porter is now manager. Other industrial branch offices of the company are at Ankerstr. and St. Catherine Streets (S. Touchette, manager), and at 5726 Sherbrooke Street W., N.D.G. (H. J. Cook, C.L.U., manager). The offices at Hickson Avenue and Wellington Street, Verdun, and at 1898 LaSalle Avenue, Maisonneuve, have been closed. The ordinary branch offices of the London Life are in the Canada Cement Building, Phillips Square, and are managed by J. M. Brown, C.L.U. Gratifying progress has been made in

Montreal district by the London Life and the business now represents approximately one-eighth of the company's entire life insurance in force.

CANADIAN BIRTH RATE

THE Dominion Bureau of Statistics on December 21 reported five births in Canada during the six months ended June 30 totalled 111,136, a birth rate of 20.2 per 1,000 population, compared with 112,824 and a birth rate of 22.8 in the corresponding period in 1935.

Deaths numbered 55,277, giving a rate of 10.1, against 56,313 and rate of 10.4, while marriages totalled 32,624, a rate of 5.9 in the first six months of 1935.

TORONTO GENERAL

NOTICE has been given that an application will be made to the Parliament of Canada, at the next session, for an act to incorporate a company under the name of Toronto General Insurance Company, for the purposes of carrying on the business of fire insurance and other classes of insurance; and, with power to acquire the whole or any part of the rights and property of Toronto General Insurance Company, a company incorporated by letters patent of the Province of Ontario.

INSURANCE INQUIRIES

Editor, Concerning Insurance: I would be glad to receive your views and any information you might have in support of same as to the stability of the National Life Insurance Co. of Canada, whose head office I understand is located at 1117 St. Catherine St., Montreal.

K. S. R., Midland, Ont.

The head office of the National Life Insurance Company of Canada is located at 522 University Avenue, Toronto, and not at Montreal. This company commenced business in 1899, and operates under Dominion charter and registry. It is regularly licensed for the transaction of life insurance, and has a deposit of \$42,000 with the Government at Ottawa for the protection of policyholders.

At the beginning of 1936 its total assets were \$11,745,819.81, while its total liabilities except capital amounted to \$11,439,989.88, showing a surplus as regards policyholders of \$306,729.96. As the paid up capital amounted to \$250,000.00, there was thus a net surplus of \$56,729.96 over capital, policy reserves and all liabilities. Its total income in 1935 was \$2,129,836.04, and its total disbursements were \$1,967,348.61, showing an excess of income over disbursements of \$162,487.43.

Policyholders are accordingly well protected, and if you took out a non-participating policy with this company you would be making no mistake.

Editor, Concerning Insurance:

Can you give me information as to the financial standing of the Anchor Insurance Co. of Rhode Island, how long it has been in operation, and the amount of business it transacts in the various lines of insurance written by the company.

H. F. S., Fredericton, N.B.

Anchor Insurance Company, with head office at Providence, Rhode Island, was incorporated and commenced business in 1928. It is not licensed in Canada. Its total admitted assets at the end of 1935 were \$2,413,636.36, while its total liabilities except capital amounted to \$581,221.10, showing a surplus as regards policyholders of \$1,832,415.26. As the paid up capital amounted to \$1,000,000.00, there was thus a net surplus of \$832,415.26 over capital, unearned premium reserve liability and all other liabilities. The company is in a sound financial position.

Its total income in 1935 was \$660,609.50, while its total disbursements were \$536,226.04, showing an excess of income over disbursements of \$124,374. The net premiums written during the year amounted to \$526,850.33, as follows: Fire, \$364,384.62; ocean marine, \$36,219.77; motor vehicles, \$40,563.41; earthquake, \$504.01; inland navigation and transportation, \$66,192.04; tor-

nado, windstorm and cyclone, \$16,593.57; sprinkler leakage, \$1,911.98; riot, civil commotion and explosion, \$1,200.75; aircraft and motor vehicle property damage, \$110.15.

Editor, Concerning Insurance:

Will you please advise me in the following insurance problem. On July 25th last I took out an ordinary life insurance policy for \$7,000.00, the premium being \$24.15 a thousand for age 41. I now find that I have budgeted too close and on account of other expenses, etc., that I cannot keep paying the premiums. Approximately 25 per cent. of my income is being paid in life insurance and I think that is too much; in any case I feel that I will have to drop this policy and of course do not want to lose that first premium. I thought that instead of dropping the whole amount at the end of the first year, if the insurance company would allow me to drop \$4,000 of it at once and still cover me for the remaining \$3,000, charging me for that proportion of the year I have been covered for the full amount and allowing me to receive the longer period of coverage on the remaining \$3,000, that I would be able to continue with the \$3,000. Do you think this can be done? What proportion of the total premium do you think it fair for them to charge me for the five or six months they have covered me?

T. C. G., Owen Sound, Ont.

It would be advisable to write direct to the head office of the company and fully explain the circumstances, pointing out that you will be compelled to drop the policy unless some such arrangement as you refer to can be made. Most companies will go as far as they reasonably can to meet the needs of any individual policyholder so long as it does not involve any injustice to the general body of policyholders, or any unfair discrimination in favor of one policyholder as against other policyholders.

It should not be overlooked that the expense incurred by the company in securing the business in the first place, by way of agent's commission, was on the basis of a policy for \$7,000 and not \$3,000, and this point will no doubt have some bearing upon any arrangement that may be made. The extent to which the company will be able to comply with your wishes may depend upon the extent to which the agent who wrote the business will be willing to fore-

INFLATION OF WAR TYPE

(Continued from page 17)

propensity, to bring on a vicious spiral of rising prices ending in a collapse of the price structure. When the demand for goods runs ahead of the supply, no power on earth can prevent prices from rising sharply.

To put the matter quite bluntly, we have today a very large population which is provided with money to buy goods in the market though it is not producing goods for the market. This population is exactly like an army in war time. It is called the unemployed. But it is unemployed only in the sense that an army is unemployed. It is on the government's payroll; that is, to say, it has purchasing power but it does not produce the goods it is able to purchase. This is a true inflation if, as is now the case, as is also the case in war time, the money to support the unproductive army is not raised by taxes or borrowed out of real savings, but is just printed directly or indirectly by the government.

The phenomena we have today, a boom, unemployment, and a shortage of labor, are exactly the phenomena of a war inflation. There is a boom in war time. There is also unemployment on a large scale; the unemployed are in uniform and they wear the insignia U.S.A. instead of W.P.A. and P.W.A. There is a shortage of labor due to the boom and to the segregation of a large mass of workers on the public works. The public works of war time are battles rather than bridges, trenches rather than tunnels, barracks rather than swimming pools and school houses.

If this inflation is not to produce the same results as a war inflation, it will be necessary to take heroic measures at once. There is not much time to be lost. For we are on the very edge of

go the commission on the \$4,000 you desire to drop.

It must be apparent that any concession made by the company in this connection will be an act of grace on its part, as under the terms of the policy contract the policyholder has no right to any such arrangement.

Editor, Concerning Insurance:

As a subscriber of your paper for years I would be glad if you could give me any information about the London & Lancashire Life Assurance Company. The Canadian branch head office was located at 42 St. John Street, Montreal, P.Q., and they did business in 1889 and for several years after.

I would appreciate very much any information you can give me regarding this company.

—B. R. S., Belleville, Ont.

London and Lancashire Life Assurance Company is now carrying on business under the name of London and Scottish Assurance Corporation, Limited, with head office at London, Eng., and Canadian head office at Montreal. A. H. P. Pridley is manager of the company for Canada.

Originally incorporated in 1862 by deed of settlement, which was replaced in 1890 by memorandum and articles of association, the company was incorporated as a limited company under the name of London and Lancashire Life and General Assurance Association, Limited, in 1910, and in 1919 the name was changed to its present form. The company has been doing business in Canada since 1863.

It is regularly licensed in this country and has a deposit with the Government at Ottawa of \$2,452,608, being \$2,214,284 for the protection of life policyholders and \$238,324 for the protection of fire and miscellaneous policyholders in Canada. It has also \$2,400,000 vested in Canadian trustees under the Insurance Act for the protection of Canadian policyholders.

Canadian policyholders are amply protected, and the company is safe to insure with. All claims are readily collectable.

Editor, Concerning Insurance:

I would appreciate your comments on the following situation. I am 45 years of age and have approximately \$26,000 of life insurance, all straight life policies. I have two children, 10 and 12 years old. About \$11,000 is with one company, the settlement of which is arranged on a 10-year monthly income plan. Among the other policies is a \$5,000, 15-year term with considerable privileges on which two premiums have been paid. I am considering adding the Family Income rider to the policies of \$11,000 and dropping the term policy. This appears to me to ensure a larger capital fund at the end of the 10-year period in the event of my death, and I understand that at the end of 5 years the rider can be added for 10 years more. The cost to add the rider both now and in 5 years' time is less than the term policy premium. I am assuming that I shall not want to make use of the convertible privileges on the term policy.

—C. G. S., Toronto, Ont.

There are two contingencies which should be taken into consideration in your case before deciding to drop the term policy in favor of the family income rider. One is that you may find yourself in poor health before the convertible privilege has expired and may still need the \$5,000 insurance for family protection purposes. The other is that you may die towards the end of the fifteen-year period covered by the term policy, in which event your family would receive considerably more funds than if you had substituted the family income rider for the term policy.

On the other hand, there is no doubt that if your death occurred in the first few years after adding the family income rider to your \$11,000 policies, your family would receive a much larger sum than if you had not made the substitution of the family income rider for the term policy. As you know, the amount payable under the family income rider decreases each year it remains in force during your lifetime, with nothing payable at all if you survive the period covered by the rider.

These are facts which should be taken into account before deciding to drop your term policy.

SHAW & BEGG LIMITED • ESTABLISHED 1885

Security. Stability. Service.

NON-BOARD FACILITIES—CANADIAN AND ONTARIO MANAGERS

WELLINGTON FIRE INSURANCE COMPANY	Assets \$ 1,153,307.00
Established 1860	
FEDERAL FIRE INSURANCE COMPANY OF CANADA	Assets 917,035.00
Established 1925	
CONSOLIDATED FIRE & CASUALTY INSURANCE CO.	Assets \$ 777,039.56
Established 1911	
MERCHANTS FIRE ASSURANCE CORP. OF NEW YORK	Assets \$15,207,886.00
Established 1910	
PACIFIC FIRE INSURANCE COMPANY	Assets \$ 7,054,984.55
Established 1851	
BANKERS & SHIPPERS INSURANCE COMPANY	Assets \$ 6,267,186.12
Established 1918	
NEW JERSEY INSURANCE COMPANY	Assets \$ 5,956,205.56
Established 1910	
MILLERS NATIONAL INSURANCE COMPANY	Assets \$ 6,125,674.85
Established 1865	
LUMBERMEN'S INSURANCE COMPANY	Assets \$ 4,709,269.54
Established 1873	
STANSTAD & SHERBROOKE FIRE INSURANCE CO.	Assets \$ 1,076,037.90
Established 1885	
AMERICAN AUTOMOBILE INSURANCE COMPANY	Assets \$14,214,585.55
Established 1911	

TORONTO REPRESENTATIVES

GORE DISTRICT FIRE INSURANCE COMPANY	Assets \$ 2,255,521.04
Established 1849	
ECONOMICAL FIRE INSURANCE COMPANY	Assets \$ 2,145,519.58
Established 1873	
PERTH FIRE INSURANCE COMPANY	Assets \$ 1,514,001.57
Established 1863	
PROVINCIAL INSURANCE COMPANY LIMITED	Assets \$ 7,011,678.45
Established 1905	
BRITISH OAK INSURANCE COMPANY, LIMITED	Assets \$ 2,526,718.86
Established 1908	

Applications for Agencies limited and brokerage firms solicited from agents requiring Non-Board facilities.

INSURANCE EXCHANGE BUILDING
14-24 TORONTO ST., TORONTO, ONT.
H. BEGG, President and Manager



A fair attitude in the settlement of claims is productive of high regard and goodwill amongst our Agents and Assured.

The Casualty Company of Canada

HEAD OFFICE TORONTO
Everything but Life Insurance—Agency Correspondence invited.
GEORGE H. GOODERHAM, President. A. W. EASTMURE, Managing Director.

FIRE, LIFE CASUALTY

The DOMINION OF CANADA GENERAL INSURANCE CO.

ESTABLISHED 1887

CANADA'S OLDEST AND STRONGEST
MULTIPLE LINE COMPANY
HEAD OFFICE—TORONTO

BRANCHES:

Montreal, Ottawa, Hamilton, London, Winnipeg, Calgary and Vancouver.

Safety deposit boxes

You owe it to your business associates, to your family and to your heirs to keep valuable papers where they may be found intact in case of emergency.

Our Safety Deposit Vaults Are
At Your Service

IMPERIAL BANK OF CANADA

HEAD OFFICE—TORONTO
BRANCHES THROUGHOUT CANADA

The Independent Order of Foresters

Monthly Income During Disability

Certificate Plan B—Issued by the Society affords outstanding protection. It provides an Old Age Benefit, payable in one sum, for the full amount of the Certificate, on the 60th birthday, or payment in the event of death.

In addition, the Certificate provides a generous Disability Benefit of Ten Dollars a month, for each \$1000 of Protection carried. Payments of such benefit are not a charge against the Certificate when it becomes a claim, either as a result of death or old age.

The Certificate contains the usual automatic non-forfeiture privileges. Double Indemnity may be secured for the payment of a nominal sum.

FRANK E. HAND,

Supreme Chief Ranger.

HEAD OFFICE, TEMPLE BUILDING,

TORONTO, CAN.

CENTRAL MANUFACTURERS

Mutual Insurance Company

1201 Concourse Building—TORONTO—Eggo 7207
MUTUAL FIRE and AUTOMOBILE INSURANCE
Net Cash Surplus, \$2,254,877.28 Policies Non-Assessable
Annual Cash Dividends Since 1876; Present Rate 25%

THE GROWTH OF COOPERATIVES

Much Progress Made, But if Carried Too Far They Might Act as Brake on Industrial and Social Advancement

WITH the investigation, by a special committee appointed by President Roosevelt, of the European cooperative movement, the American public has also suddenly become conscious of the growth of co-operatives in the United States, says *The Index*, published by the New York Trust Company. It has especially evoked a deep interest in the development of consumer co-operatives, and scores of articles have appeared in its many periodicals discussing the growth of these associations in recent years and the present status of consumer co-operation in the national economy. As a result of these studies, it is being hailed both as a possible solution to certain of our economic ills, and viewed with alarm as constituting an imminent danger to the practical working out of the profit system embodied in capitalism.

The actual extent to which wholesale and retail trade in the United States is being diverted into co-operative channels cannot be gauged with complete accuracy. Many of the estimates of the volume of business handled by consumer co-operatives represent no more than outright guesses. One reasonable estimate for the volume handled in 1934, however, is \$365,000,000, with members of the co-operatives totaling 2,000,000, and it is further estimated that sales probably totaled \$400,000,000 in 1935. Of the 1934 total, according to the statement of W. L. Myers, Governor of the Farm Credit Administration, farmers' associations accounted for over \$250,000,000 through their cooperative purchases of food, fertilizers, seed, petroleum products and other farm supplies.

These figures may be considered in two ways. They demonstrate the growth in the number and activity of co-operatives, which has been particularly marked in recent years, but they also indicate that despite their growth co-operatives still account for a very small proportion of the national wholesale and retail trade and will have to expand to a far greater extent before they can exert a perceptible influence upon the national economy.

When the movement is considered in the United States has made no such headway as it has in several European countries, as might be expected. Those who believe that the United States is a democratic country are inclined to believe that the expansion of co-operatives is a natural result of the democratic spirit. In fact, the growth of co-operatives in the United States is a very recent phenomenon. It is only in the last few years that co-operatives have begun to appear in the United States.

The growth of co-operatives in the United States is a very recent phenomenon. It is only in the last few years that co-operatives have begun to appear in the United States. The growth of co-operatives in the United States is a very recent phenomenon. It is only in the last few years that co-operatives have begun to appear in the United States.

From this absence of statistics, however, it is possible to draw some conclusions. The growth of co-operatives in the United States is a very recent phenomenon. It is only in the last few years that co-operatives have begun to appear in the United States. The growth of co-operatives in the United States is a very recent phenomenon. It is only in the last few years that co-operatives have begun to appear in the United States.

Under the influence of various farm organizations, the formation of co-operatives in the United States followed a somewhat erratic and far from dramatic course. During the last quarter of the past century and opening years of the present, cooperative marketing of farm products became far more

important than cooperative purchasing of supplies. While there were always some organizations primarily concerned with the latter operation, it was not really until after 1914 that consumer purchasing began to become an appreciable factor in farm economy. Thereafter, the increase in purchasing operations, largely operating upon the Rochdale principles, was rapid, gaining added momentum with the depression.

In 1915, there were estimated to be only 275 co-operative associations, with a membership of 59,503, whose primary business was purchasing supplies. Their total business was some \$11,677,000, or only about 1.8 per cent of the estimated business of all farmers' cooperative associations. Ten years later, however, the number of associations had swollen to 1,217. They had 247,000 members and a volume of business estimated at \$135,000,000, or 3.6 per cent of the total volume of all farm co-operatives' transactions.

Further gains brought a threefold increase in membership and 40 per cent rise in the value of purchases by 1934-1935. In that year, the number of purchasing associations was 4,306 and their membership 790,000. The increase in their business to \$177,000,000 constituted 12.2 per cent of total estimated business for all farm organizations listed by the Farm Credit Administration.

In addition to cooperative buying by associations set up for that specific purpose, states a report of the Farm Credit Administration, approximately 10 per cent of the marketing associations are engaged in buying supplies for their farmer members. Considerable quantities of fertilizers, dairy and poultry feeds, seeds, containers, coal, and petroleum products are purchased. It is estimated that this sideline activity amounted to \$20,000,000 during 1934-35. The sum total of cooperative purchasing by farmers through marketing and purchasing associations is estimated at more than \$250,000,000.

The greatest number of purchasing associations are found in the north central part of the country, more than 600 per cent of those co-operatives marketing about half the national total of cooperative farm buying. Ranked according to number, the leading States in 1934-35 were: Massachusetts, Illinois, Indiana, Wisconsin, Wisconsin, Iowa and Nebraska. New York led all others in the value of supplies purchased, followed by Massachusetts, Minnesota and California.

In the past few years, the movement has evidenced many organizations of more than farm co-operatives and has made considerable headway in urban centers and among special groups of professional workers and wage earners. While complete statistics are not available on these co-operatives, the rapid growth in membership and volume of many individual organizations attests the growing popularity

of consumer co-operatives throughout the country. The farm co-operative remains the backbone of the movement, but in parts of the country it is expanding far beyond such limitations.

The customary practice of consumer co-operatives is to organize on a small basis and then gradually expand as their services attract new members. Farmers have banded together to purchase such supplies as dairy and poultry feeds, fertilizers, seeds, shipping containers, spray material, binder wire and other farm supplies; urban consumers for the purchase of groceries and household articles. One of the most dramatic developments in cooperative purchasing, which started only in 1921, has been in the purchase of gasoline and oil. Between a third and a fourth of the buying associations, it is reported by the Farm Credit Administration, are primarily engaged in the distribution of petroleum products.

The objectives of these co-operatives, generally speaking, has been to purchase from whatever source was most economical and then to sell their seed, gasoline, groceries or other supplies through their own stores, both to members and other customers, at prevailing prices, or, in some cases, at cost plus to members. Through efficient management, such profits as would ordinarily accrue to the privately operating middleman would then supposedly be available for members and would be distributed, after deduction of all expenses and the setting aside of necessary reserves, as patronage dividends based on the volume of the member's own purchases through the year. The essential difference between the cooperative and the more usual form of business enterprise is that, in the former, the capital necessary to conduct operations is supplied solely by the consumers and the rate of profit on the investment is restricted, while, in the latter, no such limitations exist.

The efforts of retail consumer co-operatives to effect economies in the purchase of supplies have in many instances led to the formation of wholesale co-operatives. They may purchase in large bulk and distribute to a wide number of retail outlets. This in turn has forced the wholesale co-operatives to expand their functions, warehousing their goods, undertaking certain phases of processing, and even manufacturing. Oil blending plants, feed manufacturers, fertilizer plants, stand out among such undertakings. In a number of cases, the co-operatives take over all or the greater part of some manufacturers' output for special terms and market under their own trade names. Coop automobile three and four wheelers, farm machinery, and accessories. Through this control of production, their aim is not only to achieve lower costs but also to obtain products conforming to special requirements and thus, theoretically, maintain under consumer supervision.

How these co-operatives function and have expanded in recent years, however, may best be illustrated by some specific examples.

In Rochester, Minnesota, a co-operative was organized in 1920 to deal in oil and gasoline and in its first year of operation it did a business amounting to \$60,000. Four years later, this figure had increased to \$350,000, and it paid back to its consumer members a total of \$25,000 in patronage dividends. Similarly, a gasoline station was organized in Madison, Wisconsin, with about 300 members, which, in the first eight months of 1934, did a business of \$18,000. As the membership has gradually grown to 1,300, it has branched out, taking over two more gasoline stations, a bulk plant and a coal yard. Almost immediately setting on a paying basis, this co-operative has been doing business during the current year at the rate of \$3,000 a week.

Among the wholesale co-operatives, expansion has also been dramatic. The Eastern States Farmers Exchange of Springfield, Massachusetts, was organized in 1918 and has had a steady growth until it now has a membership in New England, Pennsylvania and the Middle Atlantic States of more than 20,000. Annual purchases are made of more than 300,000 tons of feed, fertilizer and miscellaneous supplies valued at \$12,000,000. Warehouses are situated at strategic points; a large feed mill is operated in Buffalo and fertilizer plants in Boston and Wilmington, and the Exchange performs all the distributing functions, including the processing of raw materials. The co-operative has an equity of more than \$1,500,000 in plants, inventory and other assets, and, in 1934, distributed patronage dividends amounting to about \$100,000.

The largest farmers' co-operative purchasing association is the Co-operative Grange League, Federation Exchange, Inc., of Blue River, New York, organized in 1920. For two years it operated at a loss, piling up a deficit of \$150,000, but since its reorganization in 1922, its success has been very marked. In 1934, it served 100,000 customers and, during the year ending June 30, 1935, distributed feed, seed, fertilizer and other supplies with a wholesale value of \$24,000,000. It operates approximately 135 stores and also has some 500 accredited local dealers.

In 1927, the Midland Co-operative Wholesale, domiciled in Minneapolis, Minnesota, had sales amounting to \$290,000 and patronage funds totaled \$14,261. In 1934, sales had expanded to \$1,751,000 and refunds to \$447,799. Between 1917 and 1934, the Central Co-operative Wholesale of Superior, Wisconsin, dealing in groceries and general supplies, increased its annual sales from \$25,574 to \$1,787,556 while its net worth expanded from \$748 to \$209,322. The Consumers Co-operative Association of North Kansas City had an operating profit of \$108,838, in 1935, as compared with \$5,279 in 1929, while patronage refunds totaled \$31,650 or more than ten times the earlier figure of \$3,049.

While these accounts of growth and expansion indicate how strongly the cooperative idea has taken hold in individual cases, an attempt to give the movement a greater national significance is being made through the activities of the Co-operative League of the U. S. A., with headquarters in New York City and National Co-operatives, Inc., whose national headquarters are to be located in Chicago. Under their aegis, the large wholesale co-operatives are banded out and centralized purchasing and the manufacture of Coop three, lubricants, batteries, groceries and other products is providing the consumer members of the retail co-operatives with more and more goods. In 1934, Bertrand B. Fowler states, National Co-operatives represented a market for 150,000,000 gallons of gasoline, running up total sales of \$10,000,000 with savings of \$1,000,000.

These examples of the growth of the cooperative movement are derived from those organizations which have proved successful. Many others could be cited where mismanagement, the infusion of political influence, or lack of response upon the consumers' part because there was no real need for a co-operative, have resulted in the abandonment of the enterprise. Consumer co-operatives are no more proof against failure than traditionally organized wholesale and retail establishments. Like any other business, they should stand or fall in a free or at least equal competitive market.

While not normally included in dis-



BRITAIN INCREASES AIR ARMAMENT. Machine shop of the new factory erected by Alvis Limited at Coventry, England, where heavy aero-engines are being constructed. This factory is but one of many new developments in air armament construction in England.

however, may best be illustrated by some specific examples.

In Rochester, Minnesota, a co-operative was organized in 1920 to deal in oil and gasoline and in its first year of operation it did a business amounting to \$60,000. Four years later, this figure had increased to \$350,000, and it paid back to its consumer members a total of \$25,000 in patronage dividends. Similarly, a gasoline station was organized in Madison, Wisconsin, with about 300 members, which, in the first eight months of 1934, did a business of \$18,000. As the membership has gradually grown to 1,300, it has branched out, taking over two more gasoline stations, a bulk plant and a coal yard. Almost immediately setting on a paying basis, this co-operative has been doing business during the current year at the rate of \$3,000 a week.

Among the wholesale co-operatives, expansion has also been dramatic. The Eastern States Farmers Exchange of Springfield, Massachusetts, was organized in 1918 and has had a steady growth until it now has a membership in New England, Pennsylvania and the Middle Atlantic States of more than 20,000. Annual purchases are made of more than 300,000 tons of feed, fertilizer and miscellaneous supplies valued at \$12,000,000. Warehouses are situated at strategic points; a large feed mill is operated in Buffalo and fertilizer plants in Boston and Wilmington, and the Exchange performs all the distributing functions, including the processing of raw materials. The co-operative has an equity of more than \$1,500,000 in plants, inventory and other assets, and, in 1934, distributed patronage dividends amounting to about \$100,000.

The largest farmers' co-operative purchasing association is the Co-operative Grange League, Federation Exchange, Inc., of Blue River, New York, organized in 1920. For two years it operated at a loss, piling up a deficit of \$150,000, but since its reorganization in 1922, its success has been very marked. In 1934, it served 100,000 customers and, during the year ending June 30, 1935, distributed feed, seed, fertilizer and other supplies with a wholesale value of \$24,000,000. It operates approximately 135 stores and also has some 500 accredited local dealers.

In 1927, the Midland Co-operative Wholesale, domiciled in Minneapolis, Minnesota, had sales amounting to \$290,000 and patronage funds totaled \$14,261. In 1934, sales had expanded to \$1,751,000 and refunds to \$447,799. Between 1917 and 1934, the Central Co-operative Wholesale of Superior, Wisconsin, dealing in groceries and general supplies, increased its annual sales from \$25,574 to \$1,787,556 while its net worth expanded from \$748 to \$209,322. The Consumers Co-operative Association of North Kansas City had an operating profit of \$108,838, in 1935, as compared with \$5,279 in 1929, while patronage refunds totaled \$31,650 or more than ten times the earlier figure of \$3,049.

While these accounts of growth and expansion indicate how strongly the cooperative idea has taken hold in individual cases, an attempt to give the movement a greater national significance is being made through the activities of the Co-operative League of the U. S. A., with headquarters in New York City and National Co-operatives, Inc., whose national headquarters are to be located in Chicago. Under their aegis, the large wholesale co-operatives are banded out and centralized purchasing and the manufacture of Coop three, lubricants, batteries, groceries and other products is providing the consumer members of the retail co-operatives with more and more goods. In 1934, Bertrand B. Fowler states, National Co-operatives represented a market for 150,000,000 gallons of gasoline, running up total sales of \$10,000,000 with savings of \$1,000,000.

These examples of the growth of the cooperative movement are derived from those organizations which have proved successful. Many others could be cited where mismanagement, the infusion of political influence, or lack of response upon the consumers' part because there was no real need for a co-operative, have resulted in the abandonment of the enterprise. Consumer co-operatives are no more proof against failure than traditionally organized wholesale and retail establishments. Like any other business, they should stand or fall in a free or at least equal competitive market.

While not normally included in dis-

cussions of co-operatives, mutual savings banks and mutual insurance companies are organized on a comparable basis and are noted for their fine records extending over many years. In the case of mutual insurance companies, where stock companies have been permitted a virtual equality of competition under the law, the rivalry of the two forms of organizations has been mutually beneficial.

THE formation of consumer co-operatives has been greatly encouraged in recent years through the aid afforded to the co-operative purchasing of farm supplies by the Farm Credit Administration. Privileges formerly accorded primarily to marketing co-operatives are now also extended to purchasing co-operatives, and the facilities of the twelve regional banks for co-operatives, set up under the Farm Credit Administration, are available for organization loans. There has also been a vast amount of literature published upon procedure and management, while the dispatch abroad of a commission of study attests the Administration's growing interest in this form of organization.

Such assistance to co-operatives by the Federal Government may be justified so long as it is held within reasonable bounds but it runs the risk, in respect to the best interests of the cooperative movement itself, as well as in respect to private trade, of giving them an artificial advantage over other business enterprises which would promote an expansion their services to certain groups of consumers would not otherwise warrant. To subsidize co-operatives would be to compel the taxpayer to make up an illusory saving enjoyed by a special group of consumers. If they cannot stand on their own feet, effecting economies for their members which could not be gained in any other way, they would serve no useful purpose. Government aid would also tend to make the whole movement a political football, and create new difficulties in the development of a system of national distribution which must be based on the working of economic and not political laws.

The continued growth of consumer co-operatives and the mounting evidence of Government interest in the movement, in any event, have raised many questions as to their role in the national economy.

It is widely felt that in certain fields they are cutting into the normal business of privately-owned enterprise, but other instances are often cited where the co-operatives have actually served as a healthy spur to capitalist business which needed fresh competition. It is generally agreed, however, that where co-operatives have been organized, neither price was nor attempts to cut off their supplies have solved the problems their operations may have created.

While consumer co-operatives offer certain potential advantages over the traditional competitive system generally prevailing in the United States; that is, in respect to the immediate economies they may make possible in distribution, they also have distinct disadvantages when the national economy, as a whole, is considered. By avoiding much of the inertia inherent in widespread control, the



HARRY J. CARMICHAEL, whose appointment to the Board of the Bank of Toronto has been announced. Mr. Carmichael is Vice-President and General Manager of General Motors of Canada Limited.

older competitive system has an elasticity which the co-operatives would appear to lack, and throughout U. S. history it has brought about a continuous expansion of markets which has made possible a mass distribution of goods serving to raise the standard of living and encourage economic progress. A danger in overdevelopment of consumer co-operatives would be that without the spur of competition in the distribution of goods, the supply of manufactured products in many fields would be stabilized at prevailing levels and the introduction of new goods would be greatly impeded, both through the tendency to control sources of manufacture and through a progressive reduction in the force of the economic incentive to market innovations. Competition makes for improving standards of quality and a healthy growth while the co-operative system on a broad scale might well perpetuate the distributive status quo and to that extent act as a brake on industrial and social advancement.

"It has yet to be shown," J. B. Matthews wrote in an article on co-operatives in the *Atlantic Monthly*, "that appropriate qualities in consumers' goods prevail in any system where consumer choice is not entirely free, or in other words where producers and distributors are not compelled to compete for consumer patronage by some degree of appeal to quality. Any kind of monopoly which tends to throttle consumer choice or limits it to a single product of a given line of goods is destructive of the necessary motive for production of high and continuously improving quality."

While it would appear extremely unlikely that consumer co-operatives will experience in the immediate future anything like the expansion their more enthusiastic adherents predict, further growth would appear assured. Their present share of wholesale and retail trade may very well increase, not to an extent where it will represent any great proportion of the nation-wide total, but to a degree where in certain parts of the country, and in certain lines of goods, it becomes increasingly important to manufacturer, distributor and consumer.

Whether or not consumer co-operation will always be held back by natural limitations, involving both the difficulties of mass production and the temperamental of the American people, or whether the United States stands on the threshold of a more intensive co-operative development comparable to that experienced in Europe, must remain a question to which the future alone holds the key. Nevertheless, fairly to test the merits of the co-operative movement as compared to traditional business, there must be no kind of subsidy or legal advantage. Only thus will the movement attain its true stature and the best interests of all the people be served.

ALBERTA

ALBERTA has an area of 255,385 square miles, and a population of 780,000. There are approximately 1,000 manufacturing plants with about \$100,000,000 invested in lands, buildings and equipment. The total payroll for all industries is nearly \$70,000,000, and the total number of people employed, 60,000. Industrial development includes peaking plants, flour mills, beet sugar plant, biscuit factories, candy factories, butter and cheese factories, oil refineries, clothing factories.

Alberta has a modern university with five affiliated colleges, three normal schools for the training of teachers, a provincial technical school, over 1,000 public and high schools, and two agricultural schools.

TEA AND COFFEE

CANADA'S imports of tea come mainly from British India, the United Kingdom, Ceylon and Japan. Her imports of coffee come most largely from British East Africa, Brazil, Colombia and Jamaica. Both are imported chiefly in unprepared forms and the roasting, grinding and blending are performed by a Canadian industry. This industry within the Dominion is also engaged in a number of associated operations, such as grinding and mixing spices, and manufacturing baking powder, vegetable shortening, flavoring extracts, jelly powders and refined edible oils.

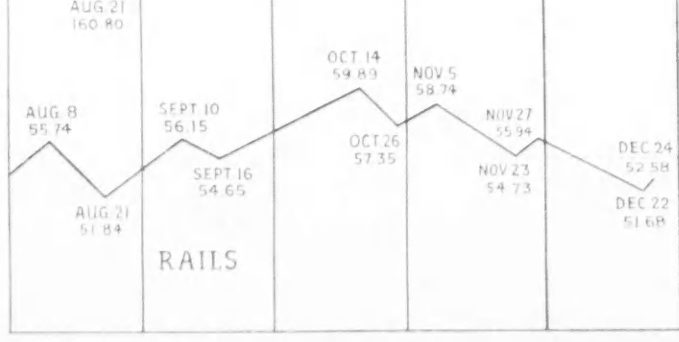
BUSINESS AND MARKET FORECAST

(Continued from page 17)

all which stocks may not be safely purchased. It would be worth the investor's while to get down figures of the average day by day to see whether this is a delusion or not. On the other hand, if the market does not actually start lower than it appears on our graph, it would be wise to observe if the Industrials penetrate the critical October 26 point at 172.50. This would be a bullish omen.

LOOKING AHEAD. This forecast has prepared a resume of suggestions made to readers at all the critical and significant market turning points from March 1935 to date. But on second thought, I tossed it away. I had a suspicion that it would not greatly interest the more alert readers who acted on those suggestions, and those who did not would as likely be as unimpressed by a summary review now as they were when the opinions were expressed. An inspection of the letter files of the Financial Editor and readers who have heard some of the Toronto brokerage houses, makes me dependent and cynical about ever being able to assist more than a small fraction of those who use a part of their hard earned income every year "speculating the market."

May I suggest for 1937, however, whether you have \$100 or \$100,000 you should first decide whether you can afford to be an investor or speculator, then recognize that the business of investing or speculating is really a specialist's job. That if as a novice or an amateur you promise to buy and sell securities, you should be prepared to face at least a few market realities such as: that all securities, bonds and stocks are in a rising or falling trend, and that when the scope of this rising or falling trend there are securities, with a rise and a fall. That it takes interesting stamina to sit stocks when the market is strong and buoyant when everyone else is buying, and sit equal amount of fortitude to buy when everyone else is selling and selling them. That due to changed conditions, high grade, long term government bonds can be nearly as speculative as many stocks. These are only a few of many things that might be mentioned to help you over and about which to make reserves for the coming year.



* Defined by the co-operatives themselves as business pertaining to the movement and not to the production of income.

BRITAIN'S COURSE IN 1936

Past Year One of Progress, Which Continues, Though Hesitantly—Imports Rose Much More Than Exports

BY GILBERT C. LAYTON

Saturday Night's Financial Correspondent in London

THE year 1936 opened and closed on tragic notes. Less than a twelve-month separated the death of King George V and the abdication of his eldest son, King Edward VIII. From the economic point of view, however, the year has been one which may become a classic argument against supporters of the cyclical theory of trade. Midsummer saw the completion of the fourth consecutive year of recovery (though not entirely uninterrupted), and the latter half of the year witnessed no slackening of industrial enterprise. Eight years, it will be realized, is the allotted span of the trade cycle, and in the latter half business is apt to be hesitant.

As is common in such a period of industrial recovery, the capital-equipment industries showed to most advantage, and their vitality was reinforced by the implementation of rearmament plans. The consumptive trades also more than maintained their rate of recovery.

The general rate of recovery must be accounted the more gratifying since a Budget which could not keep its secrets and which added 3d. to the income-tax contained an ominous taste of things to come. In fact, the financial markets have been in persistent expectation of a huge rearmament loan, 1937 may well see its appearance, but Government borrowing in 1936 was not on a scale large enough nor at rates generous enough to justify fears of dearer money.

Among the heavy industries the railways have been uninspiring, but have registered persistent small improvement, while the steel industry has provided one of the major arguments for a thorough-going reorganization of the armaments industry. Towards the end of the year Britain was importing considerable quantities of steel in excess of the cartel allotment, and a shortage of skilled operators became felt. Steel prices have still many increases to undergo before they represent a fair margin of profit to producers.

Meanwhile, one repercussion of rearmament activity was felt by car users, whose orders had to wait a considerable time for execution. Many car manufacturers were enrolled into the service of the defence departments, and the memory of Lord Nuffield's altercation with the Air Ministry on the question of aircraft manufacture would have persisted longer, but for press blandishments and Lord Nuffield's unprecedented philanthropy. In fact, the dilatoriness of the Government in promoting rearmament has received criticism from many quarters. New vitality in this connection is promised, however.

In the textile sphere the outstanding development has been the growth of the popularity of rayon. Lancashire still has her troubles, and Yorkshire hers also, though fewer than Lancashire's. The cotton industry has been the subject of certain far-reaching reorganizations which have better accommodated Lancashire's productive capacity to world demand. Apart from the uncertain element of wages, Japanese competition was still the problem, and Japan's disobliging attitude in economic matters was evidenced by her quarrel with Australia concerning wool.

One of the most significant features of the year was the continued vitality of speculative house building. It may be true that this industry has passed its peak, but it is apparent that the limits of its relapse are clearly defined, first by a change in social habit, and secondly by the enlargement of public spending-power. It is, however, a matter of concern to builders and to many other industrialists that wages have been on the up-grade, while whole-sale prices have also risen appreciably.

Devaluation in the gold bloc somewhat disturbed British exporters. In fact, this development had its impli-

cations both for international trade and for world prices, but in neither case has it so far had any substantial effect.

One of the most notable developments was, indeed, the persistent increase in imports. In the first eleven months of 1936 they amounted to £765.9 million, as compared with £683.6 million in the corresponding period of 1935. Exports rose in the same period from £440.9 million to £454.6 million.

The needs of domestic industry have entailed the shifting of the emphasis of industrial concentration from the export to the "native" side. Exports of coal and steel and of many other materials have been reduced by the necessities of home demand. The obvious solution to the position is an expansion in capacity. With narrow margins of profit, however, steel manufacturers in particular have little incentive to increase capacity beyond the point necessary for the maintenance of the existing export market and the exploitation of an expanding domestic one.

Among the other industries which made notable advances was the ship-building trade. It is building a sister-ship to the "Queen Mary," and is enjoying an activity greater than at any time since the pre-depression days.

Finance has had some special troubles of its own, and also some special comforts. It has seen its fears of dearer money prove unfounded; it has reaped a good harvest in a period whose nature was accurately reflected in the rise in the *Financial News* index

of ordinary share prices from under 110 in January to well over 120 after the restoration of confidence following the conclusion of the constitutional issue; but it has also seen the re-entry of "share-pushers" into the City of London on a large scale. Fortunately, towards the end of the year certain steps were taken to combat this evil, and the Government's intervention seems now only a matter of course.

The negotiation of the big French credit and the trade credit with Soviet Russia showed the Government's willingness to lend abroad where the security is undisputed. President Roosevelt, whose overwhelming success provided a minor surprise, has other ideas on this subject. His remarks regarding "hot" i.e., imported—money were regarded somewhat jocularly by one section of financial opinion, but Mr. Morgenthau's subsequent activity suggested that Roosevelt was this time seriously intending to restrict the flow of foreign capital into Wall Street. This will not be a matter for great concern, although the British new issue market has not been so lively as general conditions seemed to indicate.

The year ends on a note of once of caution and of optimism. King Edward's abdication administered a blow to confidence which must take time to heal, while the pact between Germany and Japan and Italy's downrightness have not improved the international political outlook. On the other hand, the barometer is set fair for Britain's domestic industry.

WHAT REALLY IS WRONG WITH THE RAILWAYS?

(Continued from page 17)

any such period within our industrial history. While the depression has established a record for its intensity, its duration, although now entering its eighth year, has not equalled that of some previous cycles. It is gratifying to know that the present period, like all previous ones, is yielding to the same corrective influences and that we are well on the way toward normal conditions. Production has now regained 70 per cent of the depression losses in the United States while in Canada 97 per cent has been recovered. At no previous period in modern times has there been such an accumulation of deferred replacement in industry and in the home. This will require accelerated business activity in order to meet future demand.

The automobile industry, while an outstanding case, illustrates this premise. In 1932 the sale of new passenger cars in the United States was only 26.2 per cent of the sale in 1929. In 1936 this will rise to 88.3 per cent and carefully worked out estimates on a conservative basis indicate for 1937 a rise to 108.5 per cent. This means better business than in the year 1929, a condition thought impossible by many during the past few years. It has been brought about by an accumulation of deferred replacement during the depression of over 8,000,000 passenger cars, in conjunction with the finest example of merchandising ever seen on this continent, made possible by research and salesmanship.

To the industry which keeps abreast of modern requirements and seeks by research to create public demand the coming years hold much in store. Perhaps no industry does this apply with greater force than to the railways. It requires real constructive thinking, however, and a departure from the theory that what was successfully done in non-competitive years is the proper thing to do today. There must be a modernization—a change of methods and tools—to produce in a salable condition today its only product, transportation. It must be remembered the world moves forward with accelerating pace under the influence of present day science and those industries which lag behind must gradually reach the discard.

THE average person in considering the rail transportation problem does so in terms of passenger service. This perhaps indicates the value of passenger service for advertising purposes, but as passenger revenue is less than 10 per cent of gross earnings of the railways, consideration at this time will be confined to freight transportation in its various phases.

In the year 1933, 25 per cent of the total originated tonnage formerly handled by railways moved over the highways. The loss to American railroads from this diversion of business now exceeds the approximate sum of \$1,250,000,000 annually. In Canada the diversion of traffic to the highway meant a loss of approximately \$63,000,000 for the year 1930. The ratio between the two countries is larger than might be expected but this is due to a larger percentage of rail mileage in the United States being affected by highway competition than in Canada.

Ten years ago the vast majority of railway executives from coast to coast in both countries regarded the presence of trucks on the highway much in the same manner as a St. Bernard regards a Fox Terrier. Without contemplating them in any sense as a competitor, if they were worthy of a thought then such thought was a sincere feeling of sympathy that nature had made them so small and useless.

This feeling on the part of railway officers was the natural outcome of their training in an atmosphere of monopoly. The railways did enjoy a monopoly in transportation on land for about three-quarters of a century prior to the year 1920, and this long period of exclusive possession of the nation's land traffic bred a false sense of security.

From points remote on this con-

tinental suggestions to ameliorate the problem have come from railway officers, economists, professors and business men and it is surprising to find how many of them are the result of what that famous Englishman, the Earl of Birkenhead, once described as "loose thinking." Innumerable time statements have been made that trucks do not make money and will soon disappear. The answer is, there are failures in all kinds of effort but that generally speaking trucking does pay as its growth amply proves. Another statement frequently made is that the railways are solving the problem by free pickup and delivery service. The answer is, while free pickup and delivery is essential, it is not in itself the complete answer. Go out on the highways and observe that highway transport is increasing and not diminishing. There is a reason for it.

One of the most persistent demands raised by railway officers is that for greater truck taxation and regulation. No legislature in either country would dare tax and/or restrict the operation of trucks to a point where they would be forced off the highways. They have become too great a national necessity. If they are to be permitted to run it is not their mere operation that embarrasses the railway but the loss of the freight they carry. Paying more taxes to the Government would not lessen the embarrassment. The only way the railways can benefit is to restore to them the traffic now on the highway. This can be done by banning the operation of trucks, an unthinkable action, or by the railway providing a better instrumentality, enabling them to compete for the traffic, leaving the public as the judge. That eminent American research authority, Dr. C. M. A. Stine, has very aptly expressed it recently as follows: "The only way in which the railroads can maintain their place in transportation is by giving service more efficient than their competitors. The only way to better service lies in better equipment and better methods, and a more general appreciation of the fact that transportation is a servant of our industrial system, not its master."

BUT still the cry for regulation is heard from the Gulf of Mexico northward. It illustrates the fact that history repeats itself. In London, England, prior to the year 1833 the city transportation was provided by means of boats on the Thames. At that time a new mode of transportation saw its appearance in the form of hackney coaches (cabs). The watermen fought this innovation desperately and sent petition after petition to Parliament to prevent this unfair competition. The cabs were not allowed to ply for hire in the streets of London until 1834 and a year later were limited to use for journeys of three miles or more out of London and Westminster. Later permission was granted to fifty hackney coachmen with a maximum of twelve horses apiece. Their petition to Parliament in 1833 recited three claims against the use of cabs. They were—

- (1) overcrowding of highways,
- (2) breaking up pavements,
- (3) unfair competition with existing forms of transportation.

Thus, the same cry comes echoing down the ages for more than three hundred years to be used today against the operation of trucks on the highways. It is doubtful if the present cry will be any more successful than when it was first made in 1833. The wisdom of the action taken in those days is perhaps more apparent now than at that time.

Then again comes the explanation, largely as a defence mechanism, that highway traffic is all "new business." From a freight traffic standpoint all new business was absorbed by the railways prior to 1920 and if a modernized service was being given today no reason would exist for their not absorbing it now. The "new business" theory sometimes refers, however, to passenger traffic and while twenty-three million licensed passenger automobiles in the United States have created a greater per-



E. W. OLIVER, authority on railway operation and author of the accompanying article entitled "What Really is Wrong With the Railways", and of a second article to appear next week. Rehabilitation of the earning power of the railways is an especially important matter to Canadians, and Mr. Oliver's pertinent observations and suggestions should arouse wide interest.

capita riding habit, with similar results in Canada, what about the 61 per cent loss of passenger traffic on the railways of this continent since 1920? It would appear that the Earl of Birkenhead was correct.

The Federal Coordinator of Transportation at Washington, at an expense of millions of dollars and more than two years of strenuous work, has completed the most intensive investigation of transportation ever made in any country. The reports of the various departments have just been made public. The railway industry is exceedingly fortunate in having available such authentic data because the prerequisite to the solution of any problem is a clear, candid and fearless analysis of the facts out of which it arises. The relationship between conditions resulting from competition in the United States and in Canada, respectively, agree in principle and this permit of reference to them in any consideration of the problem in either country.

Since 1929 highway competition has increased its inroads upon railway traffic year by year. Concurrently, a change has come about in the nation's merchandising system. Representatives of jobbing and wholesale houses used to sell goods in three to six months' supply, but the truck and the improved highway, with next day delivery to points as far distant as three hundred miles or more, made possible the low inventory system. Merchants were freed from the necessity of arranging much of their banking credit and were saved the overhead cost of carrying stock. The railways without sensing such a fundamental change as the unit of purchase becoming smaller and smaller, built larger and larger freight cars.

During the past twenty, and particularly the last ten years, industry has undergone unusual changes in its development of mass production and yet the railways have endeavored to service it with the same types of equipment used during the days when, in fact, they did possess a monopoly. The result is very evident in the loss of traffic to the highway. Industry had no sentimental attachment to the railway and very properly chose the form of transportation that suited its needs best. Indeed, it would have been lacking in ordinary business astuteness to have done otherwise.

MINES

(Continued from page 19)

Falconbridge Nickel has grown tremendously during 1936. At the 1,200 ft. level the drifting has extended over 4,100 ft. with about 95 per cent. of this drifting in ore. At the 500 ft. level where drifts have been carried to greater length than at any other part of the mine, the total drift length of 6,700 feet shows over 80 per cent. of the drifting is in ore. The ore reserve at this time has probably reached 5,000,000 tons.

Falconbridge is one of the most important mines of Canada standing in line for an important increase in dividend disbursements during 1937.

Central Patricia will show a production of more than \$1,100,000 during 1936, with the ore yielding an average of \$19.75 to the ton.

Duckwater is continuing its shaft to 375 ft. in depth as to open three levels instead of two as originally planned.

Aldermac has placed its mill in operation at a rate of 250 tons per day, and plans to speed up to 500 tons daily by early April, and with a view toward handling 1,000 tons per day by the middle of the new year.

Beattie Gold will show an operating profit this year of over \$750,000 and a net profit of possibly \$500,000. Ore reserves have a value of over \$25,000,000.

Maple Leaf Mine will wind up its affairs and no further transfer of shares will be made after Jan. 5. Arrangements have been made to transfer assets to the shareholder.

Wood Cadillac reports some interesting diamond drill cores.

McIntyre-Peregrine Mines produced approximately \$8,300,000 during 1936. This is a new high record for this mine which first went into production a quarter century ago.

Lake Shore Mines attained an output of slightly over \$16,000,000 in gold

THE ROYAL BANK OF CANADA

General Statement, 30th November, 1936

LIABILITIES	
Capital stock paid up	\$ 35,000,000.00
Reserve fund	\$ 20,000,000.00
Balance of profits carried forward as per Profit and Loss Account	1,913,796.49
Dividends unclaimed	\$ 21,913,796.49
Dividend No. 197 (at 8% per annum), payable 1st December, 1936	700,000.00
	22,626,757.93
Deposits by and balances due to Dominion Government	\$ 326,181.23
Deposits by and balances due to Provincial Governments	8,590,688.72
Deposits by the public not bearing interest, including interest accrued to date of statement	310,384,198.04
Deposits by and balances due to other chartered banks in Canada	416,164,055.12
Deposits by and balances due to banks and banking correspondents in the United Kingdom and foreign countries	160,679.71
	11,138,715.43
Notes of the bank in circulation	746,764,498.25
Acceptances and Letters of Credit outstanding	29,524,612.34
Liabilities to the public not included under the foregoing heads	21,130,988.80
	357,209.84
	\$855,588,457.90

ASSETS	
Gold held in Canada	\$ 4,951.52
Subsidiary coin held in Canada	1,389,426.88
Gold held elsewhere	947,241.60
Subsidiary coin held elsewhere	4,052,055.41
Notes of Bank of Canada	7,814,504.50
Deposits with Bank of Canada	56,438,234.88
Notes of other chartered banks	1,968,221.30
Government and bank notes other than Canadian	17,171,291.77
	\$ 91,486,879.86
Cheques on other banks	\$ 26,239,243.85
Deposits with and balances due by other chartered banks in Canada	2,674.06
Due by banks and banking correspondents elsewhere than in Canada	61,552,181.71
	\$7,794,069.62
Dominion and Provincial Government direct and guaranteed securities maturing within two years, not exceeding market value	112,375,625.60
Canadian Municipal securities, not exceeding market value	129,263,816.29
Public securities other than Canadian, not exceeding market value	9,808,124.63
Other bonds, debentures and stocks, not exceeding market value	11,900,129.17
Call and short (not exceeding 30 days) loans in Canada on bonds, debentures, stocks and other securities of a sufficient marketable value to cover	29,643,126.63
Call and short (not exceeding 30 days) loans elsewhere than in Canada on bonds, debentures, stocks and other securities of a sufficient marketable value to cover	26,154,218.66
	\$13,824,285.00
Current loans and discounts in Canada, not otherwise included, estimated loss provided for	\$175,872,378.48
Loans to Provincial Governments	1,698,424.22
Loans to cities, towns, municipalities and school districts	10,227,376.28
Current loans and discounts elsewhere than in Canada, not otherwise included, estimated loss provided for	105,418,451.69
Non-current loans, estimated loss provided for	3,548,727.49
	296,765,358.16
Bank premises, a. no more than cost, less amounts written off	15,962,037.11
Real estate other than bank premises	2,098,298.72
Mortgages on real estate sold by the Bank	799,615.83
Liabilities of customers under acceptances and letters of credit as per contra	21,130,988.80
Shares of and loans to controlled companies	3,291,444.19
Deposit with the Minister of Finance for the security of note circulation	1,625,000.00
Other assets not included under the foregoing heads	416,321.25
	\$855,588,457.90

NOTES.—The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris, and the assets and liabilities of The Royal Bank of Canada (France) are included in the above General Statement.

M. W. WILSON, President and Managing Director. S. G. DOBSON, General Manager.

AUDITORS' REPORT

TO THE SHAREHOLDERS, THE ROYAL BANK OF CANADA: We have examined the above Statement of Liabilities and Assets as at 30th November, 1936, with the books and accounts of The Royal Bank of Canada at Head Office and with the returns from the branches. We have checked the cash and the securities representing the Bank's investments held at the Head Office at the close of the fiscal year, and at various dates during the year have also checked the cash and investment securities at several of the important branches.

We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank, which have come under our review, have been within the powers of the Bank. The above statement is in our opinion properly drawn up and is a true and correct statement of the Bank as at 30th November, 1936, and it is shown by the books of the Bank.

W. GARTH THOMSON, C.A., of Peat, Marwick, Mitchell & Company, Auditors. M. OGDEN HASKELL, C.A., of Haskell, Esterlin & Company, Auditors.

Montreal, Canada, December 22, 1936.

PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 30th November, 1935	\$ 1,808,554.65
Profits for the year ended 30th November, 1936, after providing for Dominion and Provincial Government taxes amounting to \$98,976.39 and after making appropriations to Contingency Reserves, out of which Reserves provision for all Bad and Doubtful Debts has been made	3,804,241.84
	\$ 5,613,796.49
APPROPRIATED AS FOLLOWS:	
Dividend No. 194 at 8% per annum	\$ 700,000.00
Dividend No. 195 at 8% per annum	700,000.00
Dividend No. 196 at 8% per annum	700,000.00
Dividend No. 197 at 8% per annum	700,000.00
Contribution to the Pension Fund Society	\$ 2,800,000.00
Appropriation for Bank Premises	200,000.00
Balance of Profit and Loss carried forward	1,913,796.49
	\$ 5,613,796.49

M. W. WILSON, President and Managing Director. S. G. DOBSON, General Manager. Montreal, December 22, 1936.

THE GENERAL ACCIDENT ASSURANCE COMPANY OF CANADA

and SCOTTISH CANADIAN ASSURANCE CORPORATION guaranteed by GENERAL Accident Fire and Life Assurance Corporation Limited 357 BAY ST. - TORONTO

FIRE INSURANCE This is the time when fire claims are most frequent. Overheated stoves, defective stovepipes, electrical appliances constitute some of the hazards. Be sure you are fully protected against such losses.

In 1936, according to preliminary unofficial estimates, Profits will closely approach \$10,000,000.

Argosy Gold is milling 75 tons of ore daily and the ore is averaging close to \$25 per ton. Ore developments over a length of 500 ft. show average values of \$24 per ton across 80 inches.

God's Lake Gold Mines is to show a mill increase of 20 to 25 per cent in the early part of 1937, this means probable speeding up to 180 tons daily, compared with 150 tons per day heretofore.

Sylvanite is milling 460 tons daily. Grade of ore is up and 1936 profits should be 25 cents per share.

Little Long Lac is realizing a net profit at the rate of about five cents per share per month at present. The mill is rated at 250 tons daily. Developments point toward likelihood of an increase in the time to 400 tons daily.

Nickel output from International Nickel and Falconbridge Nickel Mines in 1936 is estimated at around 170,000,000 lbs.

Pioneer Mines of B. C. produced \$177,000 during November and realized a profit of \$100,000.

MacLeod Cocksfoot is in \$9 to \$10 ore at the second level drifts. Recent results of diamond drill holes from underground reveal widths up to 34 ft. of ore. At one point a width of 29 feet carries \$8.64 to the ton.

McKenzie Red Lake has made a substantial beginning and will establish production of close to \$700,000 for 1936.

UNLISTED QUOTATIONS

(As supplied by A. J. Pattison, Jr. & Co., Ltd., Toronto, December 28.)

INDUSTRIAL	
Acadia Sugar Corp.	15d. Asked
B.C. Lumber & Paper Co. Ltd.	22.00
Burns & Co. Ltd.	11.25
Burns & Co. Ltd. 1937	2.00
Canada & Dom. Sugar	67.25 68.25
Can. Airways	8.00 10.00
Can. Industrial	212.00 218.00
Can. Industries 7% Pfd.	165.00 167.00
Can. Ingersoll Rand	128.00 133.00
Can. Westinghouse	71.00
Dom. Foundry & Steel Corp.	80.00 82.00
Federal Grain 6 1/2% Pfd.	43.00 44.00
Goldfield Carpet Corp.	23.25 24.50
Haves Steel Prod. Corp.	6.00
Provincial Paper 7% Pfd.	104.50 106.50
Reliance Grain 6 1/2% Pfd.	26.00 28.00
Superior Petroleum 15% Pfd.	27.25 28.00

TRUST & LOAN STOCKS	
Chartered Trust	87.00
Commercial Finance Corp.	2.50 3.00
Goldfield Ind. Inv. Pfd.	19.00 21.25
London & Western Trust	11.00 15.00
Stirling Trust	11.00
Traders Fin. Inc. Rts.	11.00
Traders Fin. Inc. 7% Pfd.	86.00
Trusts & Guarantee	39.00 33.50

INSURANCE STOCKS	
Canada Life Assoc.	520.00 545.00
Canadian Fire Ins.	75.00 115.00
Confederation Life 20% Pfd.	112.00 113.00
Crown Life Ins. 10% Pfd.	150.00
Dominion Life 5% Pfd.	260.00 300.00
Empire Life 25% Pfd.	20.00 8.00
Great West Life Assoc.	360.00 375.00
Monarch Life 10% Pfd.	20.00 21.75
Sovereign Life 25% Pfd.	15.00 17.50

THEATRE STOCKS	
Allens Beach Pfd.	67.00 70.00
Allens Kingston Pfd.	61.00
Allens Parkdale Pfd.	71.00
Allens Toronto 7% Pfd.	20.00
Eastern Theatres Pfd.	22.00 25.00
Loew's Buffalo Pfd.	2.00 4.00
Loew's London 7% Pfd.	2.25 3.00
Loew's Toronto Pfd.	18.00
Manfield Theatre Pfd.	23.00
Paramount Kitchener Pfd.	62.00
Paramount Oshawa Pfd.	36.00
United Amusement & Pfd.	23.00
United Amusement B.	21.00

"A one dollar rise is announced from an unexpected quarter," says an item in "Canadian Business". We should be interested in a proportionate ascent from an unexpected dollar.

Friendly,
helpful banking service...
backed by the experience, resources,
organization and reputation of 119
years of successful banking operation.

BANK OF MONTREAL
ESTABLISHED 1817

HEAD OFFICE MONTREAL

A MILLION
DEPOSIT
ACCOUNTS
DENOTE
CONFIDENCE

TOTAL ASSETS IN EXCESS OF \$800,000,000

A complete British Empire and Foreign Banking Service

ROYAL BANK OF SCOTLAND
Incorporated by Royal Charter, 1727.

249 Branches throughout Scotland. HEAD OFFICE—EDINBURGH.

London: City Office—1, RISHOPSGATE, E.C.2.
West End—10, CHANCERY LANE, W.C.2.
New Bond Street, W.1.
Burlington Gardens, W.1.

TOTAL ASSETS \$181,840,596

Associated Bank—Williams Deacon & Bank, Ltd. (Members of the London Bankers' Clearing House)

MONTREAL

FOR thousands of travellers,
the Mount Royal Hotel has solved the
problem of where to stay in Montreal.
Located in the heart of the city—less
than 10 minutes' walk from all depots,
a few minutes' walk to retail stores,
theatres and points of interest—yet
sufficiently away from the noise of
traffic to ensure sound, refreshing
sleep. Impeccable service and splen-
did garage facilities. Write, wire or
telephone for reservations.

**MOUNT ROYAL
HOTEL**

ALDERIC RAYMOND
PRESIDENT

VERNON G. CARDY
MANAGING DIRECTOR



Above: This New Fleet of 15 Beautiful International Half-Ton Trucks
Serves E. F. Wallace Co., Ltd., Toronto.

In NAME and REPUTATION This Truck Is INTERNATIONAL

Thirty-five years of truck manufacture and the steadfast determination of International Harvester have made a lasting imprint on hauling history. In the great field of transportation the name "International" means a truck of quality and standing, and it is recognized as such internationally!

Go where you will, the world over, the reputation of this truck will have preceded you. Today, wherever loads must be hauled economically you will

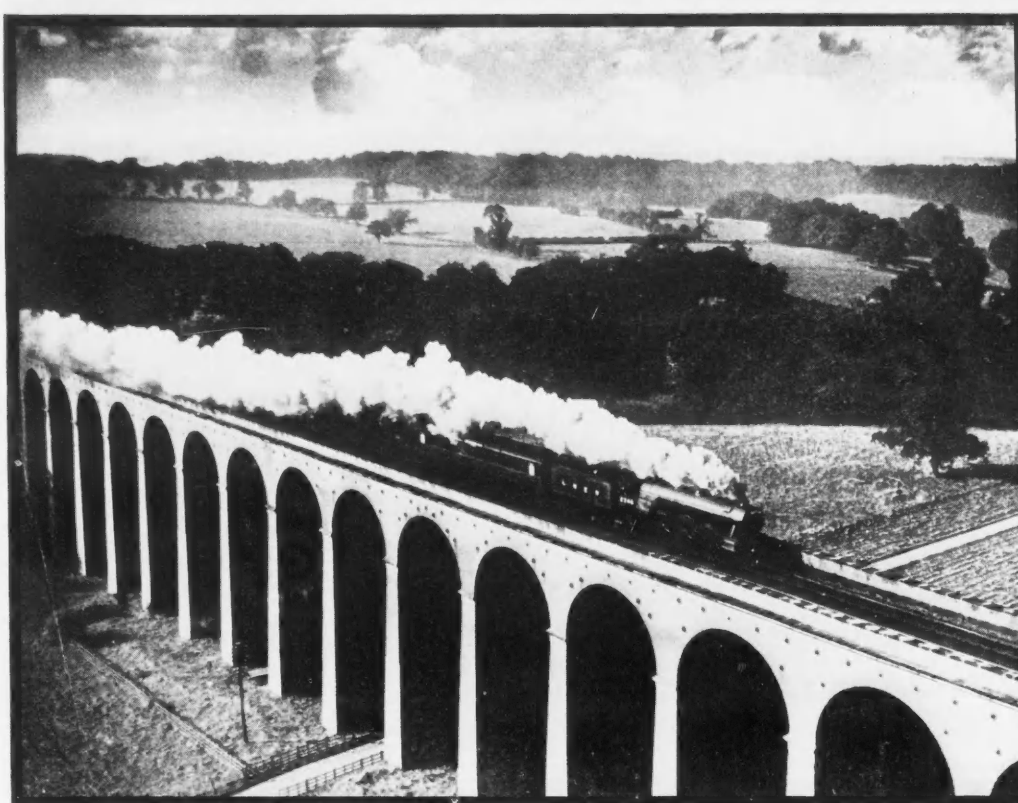
find Internationals and a deep respect for the performance guaranteed by this triple-diamond emblem.

International Trucks and Service and the long experience of International Harvester are in easy reach of truck users everywhere. Consult any International Company-owned branch or dealer and select your trucks from the International complete line. Sizes range from Half-Ton Light-Delivery to powerful Six-Wheelers.

INTERNATIONAL HARVESTER COMPANY
Hamilton of Canada, Ltd. Ontario

Truck Factory located at Chatham, Ont. Direct Factory Branches at: St. John's, N.B.; Hamilton, London, North Bay, Ottawa, and Toronto, Ont.; Montreal and Quebec, Que.; Calgary, Edmonton, and Lethbridge, Alta.; Vancouver, B.C.; Brandon and Winnipeg, Man.; North Battleford, Regina, Saskatoon, Swift Current, Weyburn, and Yorkton, Sask.

INTERNATIONAL TRUCKS



ONE OF ENGLAND'S FASTEST TRAINS. The L.N.E.R. express, *Flying Scotsman*, speeding along over Welwyn viaduct, Hertfordshire, on its long journey north to Scotland.

THE BANK OF ENGLAND'S GOLD

How It is Protected—It Would Be Easier to Storm Gibraltar in a Motor-Boat Than to Rob the Bank's Vaults

BY ROY HOPKINS

UNDERNEATH the busy streets of the City of London lies an artificial gold mine. It is in the vaults of the Bank of England.

It is estimated that during the last two years alone over £100,000,000 worth of gold has been taken into Britain from France by airplanes and steamers. Much of this has been dispatched officially. Much, also, has been carried by private passengers who utilize many curious methods. They carry the precious metal in shabby leather or canvas bags, in travelling rugs and in anything else which they think sufficiently unostentatious.

Ultimately, this gold finds its way to the deep vaults of the Bank where extraordinary precautions are taken to preserve its security. There are many highly-impressive stories current of how the U. S. Federal Reserve Bank and the Bank of France guard their respective hoards. The Federal Reserve has built a small citadel intended for the safekeeping of its gold, practically 100 per cent. proof against the attacks of gangsters and of possible foreign enemies. In Paris, far below the street level and itself protected by a maze of corridors and iron grills, an eight-ton steel door a yard thick and set in a concrete wall twenty feet thick, gives entrance to the actual vaults.

The Bank of England may not be so spectacular as these but for sheer efficiency it probably stands alone. Here, the gold is kept in strong-rooms which are surrounded on three sides with water. A system of mirrors installed in the corridors of the vaults enables armed patrols to see parts of the building out of reach of the unaided eye. The cleverest Chicago gunman with all the resources of the scientific cracksmen would be wasting his time among these strong-rooms. To get at the gold in the Bank of England would be as tough a job as storming Gibraltar in a motor-boat.

THE gold itself is cast in little flat blocks or ingots each weighing 28 lbs. Bullion dealers and brokers nonchalantly pass from them hand to hand with no more awe than they would give mere bars of soap, though each of these blocks is worth, at £7 an ounce, roughly £3,136. Bearing in mind the value of the gold and the elaborate vaults in which it is stored, it is odd to find how casually bullion comes to be transported. On its way from airplane to bank or from bank to train and ship, little spectacle attends the gold.

Some time ago, there was an amusing case of a postman who abstracted a gold brick from the mail. It was worth £1,500 and had been sent from a branch bank to the head office by unregistered parcel post! When the case came to court the judge com-

mented upon the seemingly careless method of transit employed, which the bank has since abandoned.

If you are fortunate enough to be standing outside the Bank of England at the right time you will see a plain van arrive carrying a uniformed guard next to the driver and with two others outside. In a few minutes, small but obviously heavy rectangular cases are brought out and stacked in the van. Then the door slams to.

The van moves off, towards a station or by-road to the docks or to an airport. Thousands of people see that unmarked vehicle go by; but few of them realize its job.

Occasionally, one hears of a hold-up. The recent loss of bullion from the strong-room at Croydon airdrome was an instance of a kind of theft which is, happily, not very common though from time to time there are rumours of attempts which are foiled. A few years ago, a van transporting gold broke down on a country road and the guards spent several hours watching every chance wayfarer with suspicion until at last help arrived and their precious cargo was put under adequate protection.

The custom of having a military guard at the Bank of England originated in 1789, at the time of the Gordon riots, when a mob attempted to rifle the strong rooms. Though the result was a failure, a bank picket of twenty men has ever since been detailed from a Guards' battalion. In

return for their services, the bank has to feed and accommodate them at its own expense.

WHEN gold is to go from London to Southampton, en route, say to the United States, transit by rail is usually chosen. As a rule, a first-class carriage is reserved and an armed guard accompanies the consignment. When the gold reaches the docks it is officially transferred to the care of the purser of the liner in which it is to travel. He places it immediately under seal in the strong room which every large vessel carries today.

It is not until the bullion reaches New York that it takes part in the melodramatic scenes that one romantically associates with it. The liner docks and is welcomed by screaming police sirens as an armored van approaches the gangway. It is accompanied by motor-cycle police who stand around, their eyes on the crowd, until the disembarkation is made. As the crowd may hold a score of notorious crooks, this is, perhaps, not unnecessary. In other armored cars machine-guns are mounted, behind them police and Pinkerton men, ready for action.

When the whole consignment is off the boat, the motor-cycles roar ahead. Behind them comes the gold and the escort. New Yorkers breathe easily again when finally the whole cavalcade is out of sight.

The occasion of Britain's largest war debt payment to the United States—one of £30,000,000—was marked with drama. Already in the Federal Reserve vaults there were £12,239,000,000 in gold and the most thorough precautions were taken in order that no unauthorized person should get in the vaults. The bullion from Britain was carried between a double uniformed guard and was taken sixty feet below ground to a special strong-room, which was labelled as holding British property.

It had arrived in the morning. Before noon, the Deputy Governor of the Federal Reserve Bank arrived with a bodyguard and the two labels were ceremoniously removed. At that moment the gold became American and Britain had paid her debt.

"As safe as the Bank of England" seems to be used almost internationally as synonymous for security. But before the bank was reconstructed and new vaults were installed there was a way to the strong-rooms from a neighboring sewer of which no bank official knew. It was discovered by accident and the man responsible, a sewer worker, was rewarded with £500. Today, the bank is as unassailable as human ingenuity can make it and, in a physical sense at least, the familiar metaphor was never more true.

present rate of consumption. This situation is in strong contrast to the position less than two years ago when the pressure of stocks on the world market was so great as to necessitate a world agreement for the control of production.

This agreement, which was concluded in March, 1935, provided for a co-operative marketing and price policy on the part of the producers of more than two-thirds of the current output in countries other than the United States. Russia and Japan were not signatories to the pact and the isolated position of the United States, as a result of the import duty of four cents per pound on foreign copper and the control of the industry by the N.R.A. Copper Code, then in operation, obliterated the necessity of official co-operation. Producers in the United States, however, entered into a "gentlemen's agreement" to restrict exports of domestic copper to 8,999 tons per month during the life of the international pact. In fact, United States shipments in recent months have averaged rather less than half of this amount.

COPPER'S POSITION

Rapid Improvement Features General Recovery Trend—1936 Consumption Nearly Up To 1929

THE rapidity of the improvement in the statistical position of copper has been one of the most striking features of the current industrial recovery. World consumption of copper in 1935 was two-thirds above that of 1932 and in countries other than the United States, it was actually 25 per cent. greater than that of 1929, the previous peak. As yet, says the Royal Bank of Canada in its monthly letter, the recovery in demand for copper in the United States has lagged behind that in other parts of the world and consumption in 1935 was only about half that of 1929. In the first ten months of 1936, however, consumption in the United States has shown rapid expansion and it now appears probable that total world consumption of the metal in 1936 will be very close to that of 1929.

When it is remembered that the United States took approximately fifty per cent. of the total world out-

put of copper in 1929, the significance of the reduced demand in that country, and even more, that of the potential demand implicit in the rapid business recovery in the United States, becomes apparent. The electrical industry is normally the largest consumer of copper and it is precisely this industry which has not increased its use of the metal in recent years. A large part of the present electrical equipment in the United States is obsolete and inadequate replacement and extension must be undertaken in the near future. When these operations get under way, there can be little doubt that world consumption of copper will exceed any previous record.

The increasing consumption of copper has been accompanied by a substantial reduction in stocks on hand. Available supplies on October 31, 1936, were approximately 357,000 short tons, estimated to be less than three months' supply at the

COPPER PRODUCTION BY COUNTRIES						
	United States	Canada	Mexico and S. America	Africa	Other Countries	Total
1924	819.0	59.1	363.5	349.4	152.2	1522
1925	854.0	56.2	311.9	367.9	159.0	1590
1926	878.0	64.1	333.6	361.3	163.7	1637
1927	847.4	79.7	336.6	333.3	168.2	1682
1928	935.2	96.6	450.7	128.0	281.5	1892
1929	1026.0	121.2	496.0	151.0	323.8	2118
1930	710.7	151.8	373.2	160.4	338.9	1735
1931	524.6	145.6	356.9	151.9	309.9	1488
1932	255.5	125.4	174.9	116.0	291.2	967
1933	233.6	148.3	251.3	191.2	312.6	1137
1934	232.3	183.1	364.8	284.0	317.5	1382
1935	363.5	209.4	362.3	288.0	362.5	1585

COPPER CONSUMPTION			
	United States	Other Countries	World
1927	825	933	1758
1928	883	1026	2009
1929	1119	958	2077
1930	809	905	1714
1931	691	806	1497
1932	336	746	1082
1933	382	857	1239
1934	418	1068	1486
1935	357	1228	1585

*—Estimated

CANADA, which normally produces fifteen per cent. of the world's copper output, did not become an official participant in the agreement. The peculiar character of Canadian copper production, largely as a by-product of other metals, renders control of output unusually difficult. The principal Canadian producers, however, unofficially undertook to co-operate in orderly marketing. The extent to which this arrangement has been carried out is indicated by the statistics of Canadian production. Copper output in 1936 has been maintained at approximately the same rate as in 1935. Nickel production, on the other hand, has shown a gain of nearly 30 per cent. This suggests, as the London Economist recently pointed out, that "the leading Canadian copper producer has been mining ores with a considerably lower copper content this year than last."

Countries which were signatories to the agreement have been enabled to permit rapid increases in output during recent months. Under the agreement, output was restricted to approximately 70 per cent. of "theoretical capacity" from June, 1935, to July, 1936. Since last July, however, expanding consumption and higher prices have led the signatories to agree to four increases in output. Since November 1, production quotas have been on a basis of 95 per cent. of the theoretical or basic capacity of the participating countries and further increases to complete theoretical capacity or even more are not considered improbable. The theoretical capacity merely represents that available at the time of the conclusion of the agreement and further productive equipment is now available. It is unofficially reported that this is equivalent to as much as 20 per cent. of the basic standard.

The rapidity with which the International Committee has increased production rather than attempting to force higher prices is the result of the type of copper mining in the signatory countries. The participants in the agreement are all low-cost producers who can secure adequate profits at relatively low prices and are more interested in quantity production than in high prices. Production costs at the Rhodesian and the best of the Chilean mines are not much more than half of the costs at mines in the United States. Previous agreements have been dominated by these high-cost producers in the United States whose complex ores necessitate expensive refining methods.